ANNUAL REPORT

OF THE

TRUSTEES

OF

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

TO THE

BOND AND STOCK HOLDERS

FOR THE YEAR

ENDED

DECEMBER 31, 1943

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THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

DIRECTORS

ROY B. WHITE, Chairman of the Board

GOLDTHWAITE H. DORR
CHARLES A. GILL
WILLIAM V. GRIFFIN
HOWARD W. MAXWELL
THEODORE W. REATH
EDWARD W. SCHEER
RUSSELL L. SNODGRASS
FREDERICK E. WILLIAMSON

EXECUTIVE COMMITTEE

ROY B. WHITE, Chairman

GOLDTHWAITE H. DORR
WILLIAM V. GRIFFIN
HOWARD W. MAXWELL
THEODORE W. REATH
EDWARD W. SCHEER
FREDERICK E. WILLIAMSON

OFFICERS

EDWARD W. SCHEER, President	New York, N. Y.
CHARLES A. GILL, Vice-President	Philadelphia, Pa.
CHARLES L. EWING, Vice-President	New York, N. Y.
WILLIAM KOHLER, Secretary and Treasurer	New York, N. Y.

GENERAL OFFICES, CENTRAL BUILDING,
143 Liberty St., New York 6, N. Y

REGISTRAR OF TRANSFERS

Central Hanover Bank and Trust Co., 70 Broadway, New York, N. Y

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THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

TRUSTEES

SHELTON PITNEY WALTER P. GARDNER

GENERAL OFFICES OF THE TRUSTEES

Terminal Building, Jersey City 2, N. J.

WILLIAM WYER, Chief Executive Officer

STAFF

CHARLES L. EWING, Chief Traffic Officer (Freight)	New York, N. Y.
DON Y. SMITH, General Freight Traffic Manager	New York, N. Y.
ALBERT B. CRAIG, Assistant Freight Traffic Manager	New York, N. Y.
HOWARD L. KERN, General Counsel	New York, N. Y.
ALEXANDER H. ELDER, General Solicitor	New York, N. Y.
HOWARD B. THOMAS, Assistant General Solicitor	New York, N. Y.
WILLIAM F. HANLON, Assistant General Solicitor	New York, N. Y.
M. L. McELHENY, General Manager	Jersey City, N. J.
E. T. MOORE, Assistant General Manager	Jersey City, N. J.
W. J. MEYER, Assistant to the General Manager	Jersey City, N. J.
S. L. MAPES, Engineer Maintenance of Way	Jersey City, N. J.
GEORGE H. MASSY, Superintendent Motive Power and Rolling Equipment	Elizabethport, N. J.
P. R. BROADLEY, Mechanical Engineer	Elizabethport, N. J.
FRED W. BENDER, Signal Engineer	Jersey City, N. J.
RAYMOND W. KELLER, Electrical Engineer	Jersey City, N. J.
C. D. BARWICK, Superintendent of Transportation	Philadelphia, Pa.
WILLIAM KOHLER, Secretary and Treasurer	New York, N. Y.
H. M. SANDERSON, Assistant Secretary and Assistant Treasurer	New York, N. Y.
F. E. GREGG, Comptroller	Jersey City, N. J.
PHILIP M. KELLY, Assistant Comptroller	Jersey City, N. J.
WALTER V. SHIPLEY, Passenger Traffic Manager	New York, N. Y.
B. D. BRANCH, General Passenger Agent	New York, N. Y.
H. E. YERKES, Assistant General Passenger Agent	New York, N. Y.
†ALBERT M. ZABRISKIE, Chief Engineer	Jersey City, N. J.
J. J. YATES, Bridge Engineer	Jersey City, N. J.
R. E. THOMPSON, Property Manager	Jersey City, N. J.
R. C. SLACK, Real Estate Agent	Jersey City, N. J.
E. J. GOODALE, Valuation Engineer	Jersey City, N. J.
*E. A. WORKMAN, Purchasing Agent	New York, N. Y.
IRA GOLDOWSKY, M. D., Medical Director	Jersey City, N. J.
RAYMOND F. BLOSSER, Director of Information	Jersey City, N. J.

†Succeeded the late Arthur E. Owen, April 1, 1944.
*Succeeded Wesley A. Clem, Feb. 16, 1944.

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THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

Jersey City, N. J., April 1, 1944

TO THE BOND AND STOCK HOLDERS:

The Trustees submit the following report for the year ended December 31, 1943.

CONDENSED INCOME STATEMENT

	1943	1942	Increase or Decrease
Receipts from the transportation of anthracite and bituminous coal, merchandise, passengers, etc.	$62,974,869	$57,446,744	$5,528,125 I
Cost of operating the railroad and maintaining the property	46,161,089	39,310,542	6,850,547 I
Net Revenues	$16,813,780	$18,136,202	$1,322,422 D
Federal, State and other taxes	8,396,228	5,441,557	2,954,671 I
Payments to other companies in excess of receipts from such companies for hire of equipment and use of joint facilities	3,226,952*	3,372,793#	145,841 D
Net Railway Operating Income	$ 5,190,600	$ 9,321,852	$4,131,252 D
Income from investments in securities, property rentals and other items	839,926	1,066,668	226,742 D
Less miscellaneous income deductions	135,338**	172,799##	37,461 D
Income available for fixed charges	$ 5,895,188	$10,215,721	$4,320,533 D
Fixed charges—interest on funded debt, rentals paid for leased railroads, etc.	5,182,328	5,169,057	13,271 I
Income after fixed charges	$ 712,860	$ 5,046,664	$4,333,804 D
Percentage of each dollar of operating revenue consumed by operating expenses	73.30%	68.43%	4.87% I

A statement in detail of the Income Account appears on Page 16.

The Jersey Central's unprecedented freight traffic of wartime 1943 produced record railway operating revenues which were not reflected, however, in your company's net income after heavy increases in taxes, wages and other items which were independent of the increased volume of business. Our railway operating revenues increased to $62,974,869 from $57,446,744 in 1942, but net income declined to $712,860 from $5,046,664 the preceding year.

Our record revenues resulted from the greatest volume of freight in your company's history. Carrying out our important and strategic part in the war effort, we handled 3,742,645,965 net ton miles of revenue freight. This surpassed the previous peaks of 3,543,550,740 in 1942, 2,905,667,265 in 1926 and 2,846,678,538 in 1928. No one can forsee the future or even the immediate future in these uncertain times, but thus far this year our traffic volume has been running even heavier. Our passenger traffic, too, has increased considerably because of troop movements as well as general wartime travel conditions. In 1943, we carried 27,388,084 passengers, the greatest number since 1929 when we handled 29,021,578. This compares with 24,606,551 in 1942.

Your company's revenues for handling anthracite coal totaled $10,660,000, down $701,000 or 6% from

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* Includes $ 81,748 taxes.
** Includes 126,632 taxes.
# Includes 70,333 taxes.
## Includes 165,352 taxes.

1942 but still higher than any other year since 1930. Revenues for handling bituminous coal totaled $5,539,000, the greatest for any year except 1942 when they were $14,000 higher. Revenues for all other freight, including our heavy movement of petroleum products, reached the unprecedented figure of $35,189,420, an increase of $4,524,637 or 15% over 1942. At the same time our passenger revenues climbed to $8,025,152, up $1,364,632 or 20% from 1942.

It will be noted that although your company's operating revenues increased $5,528,125 over 1942, the net income declined $4,333,804. This is explained by a number of items, all unrelated to the increased volume of business. We accrued $2,740,000 for wage increases. Your company accrued $1,210,000 for federal income taxes, whereas there was no liability in 1942 due to carry-over losses from previous years. There was an increase of $1,763,526 under the New Jersey franchise tax. For depreciation of way and structures we charged $910,000, with no corresponding charge in 1942, and also charged $590,000 for deferred maintenance. There was an increase of $820,000 in charge for amortization of war projects. Suspension of freight rate increases cost us around $875,000, since the moderate increases were in effect only four and one-half months against nine and one-half months in 1942. Other items included an increase of $264,000 in personal injury payments, largely to clean up accumulation of old cases; approximately $490,000 for increase in price of coal used by your company; about $100,000 for increased payroll taxes because of the wage increases, and a loss of $133,000 because of decreased dividends, principally from the Wharton and Northern Railroad Co., an affiliate. The Wharton and Northern Railroad dividend was earned, but not declared until 1944. There also was a charge of $84,000 for depreciation on shop and power plant machinery, with no corresponding charge in 1942, and $70,000 increase on road property retirements. Your company calculates that except for such items, the net income would have improved about $5,715,000, or $187,000 in excess of the increase in operating revenues.

Thus the heavy burdens which your company successfully assumed in the face of wartime manpower and equipment difficulties did not result in compensation comparable to the increased traffic volume. It remains obvious that your company cannot be reorganized on a sound basis until relief is obtained from the inordinate tax load, which is discussed in another section of this report.

Tax Accruals

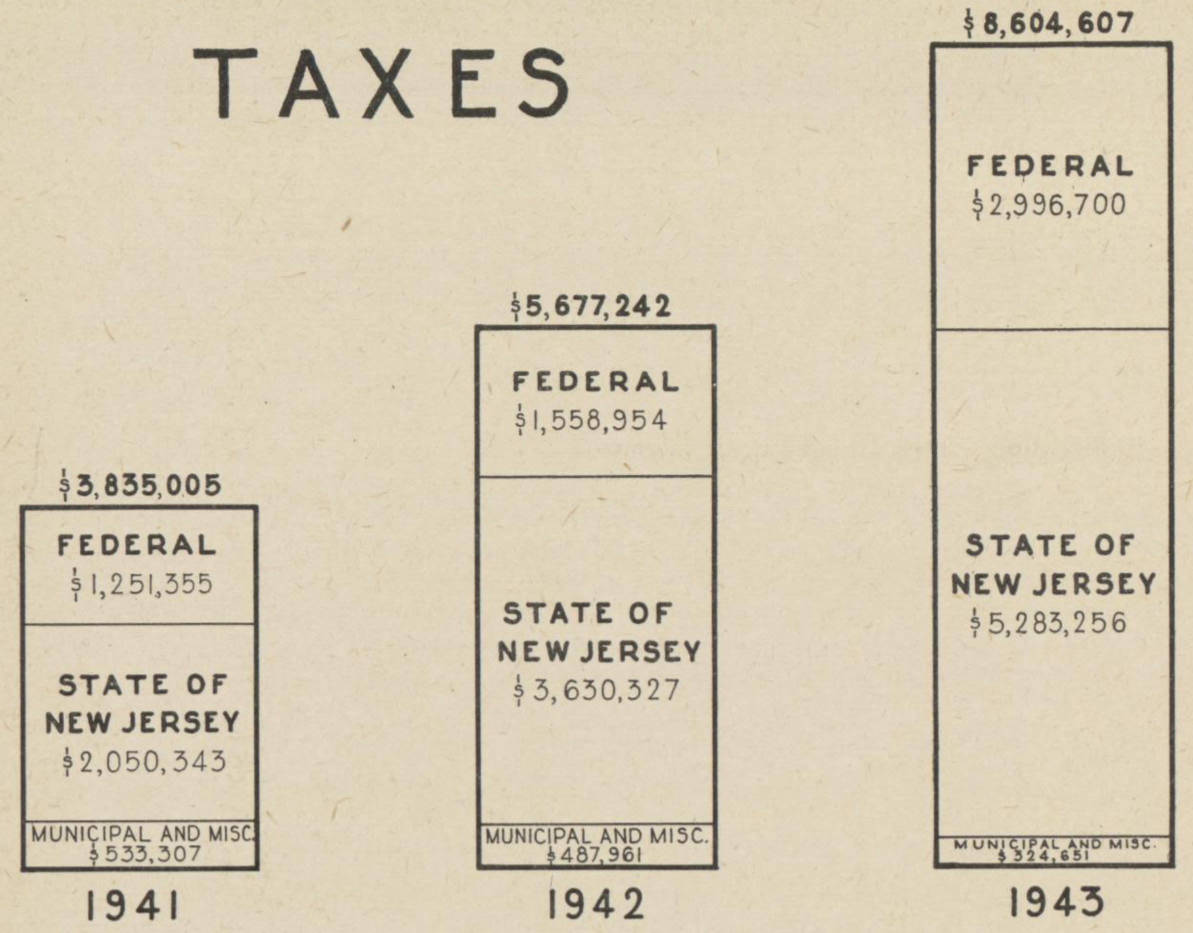
Railway tax accruals for 1943 amounted to $8,396,227, an increase of $2,954,670 or 54.3% over the preceding year. This is made up as follows:

Railway Tax Accruals	*1943*	*1942*	*Increase*
New Jersey State Taxes	$5,221,902	$3,569,805	$1,652,097
Federal Income Taxes	1,210,000	....	1,210,000
Railroad Retirement and Railroad Unemployment Insurance Taxes	1,757,933	1,541,770	216,163
	$8,189,835	$5,111,575	$3,078,260
Other taxes, including local	206,392	329,982	123,590*
Total Railway Tax Accruals	$8,396,227	$5,441,557	$2,954,670
Other Taxes			
Miscellaneous Tax Accruals	126,632	165,352	38,720*
Taxes Included in Joint Facility Rents	81,748	70,333	11,415
TOTAL TAXES	$8,604,607	$5,677,242	$2,927,365

* Decrease.

It is estimated that the Federal Income Tax for 1943 will amount to $1,210,000. There was no Federal Income Tax in 1942 due to the fact that your Company had a substantial carry-over loss due to deficits in prior years. It is again apparent, therefore, that taxes past and present are a major problem in the reorganization of your Company.

TAXES



Franchise and Property Taxes

The franchise tax levied by the State of New Jersey for 1943 amounted to $2,893,761① compared with $1,130,235 in 1942, or an increase of $1,763,526②. The Trustees are seeking a review in the New Jersey Supreme Court of the action of the State Board of Tax Appeals in affirming the franchise tax assessment since it is believed that the manner in which the Franchise Tax Act has been applied to the Jersey Central violates both the state and federal constitutions. As pointed out in the trustees' briefs, the formula used does not truly represent the net operating income attributable to operations in New Jersey. The formula applied by the State Tax Commissioner resulted in a franchise tax based on the arbitrary assumption that more than two-thirds of the net railway operating income was derived from operations in New Jersey.

Not only was the franchise tax of the Company increased by $1,763,526, but at the same time the property tax was increased by $254,001 over the amount of $2,157,466.50. This was due to an increase in the assessment by the state tax commissioner from $71,915,550 to $80,382,248. This increase was affirmed by the State Board of Tax Appeals on appeal by the trustees, although the Board of Tax Appeals in 1942 had fixed the valuation at $71,915,550. The $2,411,467 taxes required under this valuation were paid under protest and the judgment of the State Board of Tax Appeals is now under review before the New Jersey Supreme Court.

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① All of the assessment and tax figures referred to under this heading include the taxes payable by the Trustees on account of The Central Railroad Company of New Jersey, Dover & Rockaway R. R. Co., New York & Long Branch R. R. Co. (50%) and Bay Shore Connecting R. R. Co. (50%).

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② While this figure is greater than the total increased accruals for New Jersey State Taxes above indicated, the difference is due to accrual in 1942 of the amount of the retroactive franchise tax for 1941 in the sum of $239,749.80 which was paid on June 15, 1942, and to accruals of increased contested property taxes alleged to be due for previous years.

1942 Franchise Tax and Property Tax Litigation

On Jan. 20, 1944, the trustees' petition to review the 1942 franchise tax assessment and a portion of the property tax assessment with respect to highway grade crossings, and the petitions of the State of New Jersey and the City of Jersey City to review the action of the State Board of Tax Appeals in reducing the property tax for 1942, came on for argument before the New Jersey Supreme Court. The basis of the contest of the franchise tax assessment, amounting to $1,130,325.51 for 1942, was that in fact the Jersey Central had no net railway operating income earned within the State of New Jersey in 1941. The state tax commissioner incorrectly and arbitrarily applied a formula not intended by the Legislature of the State of New Jersey and in violation of both the state and federal constitutions. On the same day the court also heard the argument on Jersey City's attack on the constitutionality of the new Railroad Tax Act. Decisions have not been handed down in these cases.

Litigation on Railroad Tax Settlement Acts

In the civil information suit referred to in the 1942 Annual Report, the Court of Chancery held unconstitutional the Railway Tax Settlement Act of 1941 and its amendment of 1942. This decision was appealed by the state treasurer to the New Jersey Court of Errors and Appeals, and on Feb. 1, 1944, the court heard argument on the appeal. A decision is expected in the early future. In this connection it should be noted with reference to the claim filed by the State of New Jersey for taxes for the years 1932 to 1939, inclusive, in our reorganization proceedings, that objections have been filed to this claim and the Bankruptcy Court authorized the payment of the principal amount of the taxes alleged to be due only in the manner and in accordance with the terms of the Settlement Acts. Pending a final decision in the tax settlement case, no further action with reference to these back taxes is anticipated.

Changes in Management

Effective July 1, 1943, Edward W. Scheer, Chief Executive Officer, Charles A. Gill, Officer in Charge of Operation and Maintenance, and Philemon S. Lewis, General Manager, resigned and the Trustees selected and appointed William Wyer as Chief Executive Officer and M. L. McElheny as General Manager.

In the course of time certain departments that had been headed by joint officers of both The Central Railroad Company of New Jersey and the Reading Company, were segregated and Jersey Central officers were appointed to head those departments. Other changes in personnel were made and new positions were created. On page 2 there is a list of the officers.

Changes also have been made or will be made in this company's representation on the boards of directors of the company's wholly-owned subsidiaries and affiliated companies, and in the executive management of some of them.

The Central Railroad Company of Pennsylvania

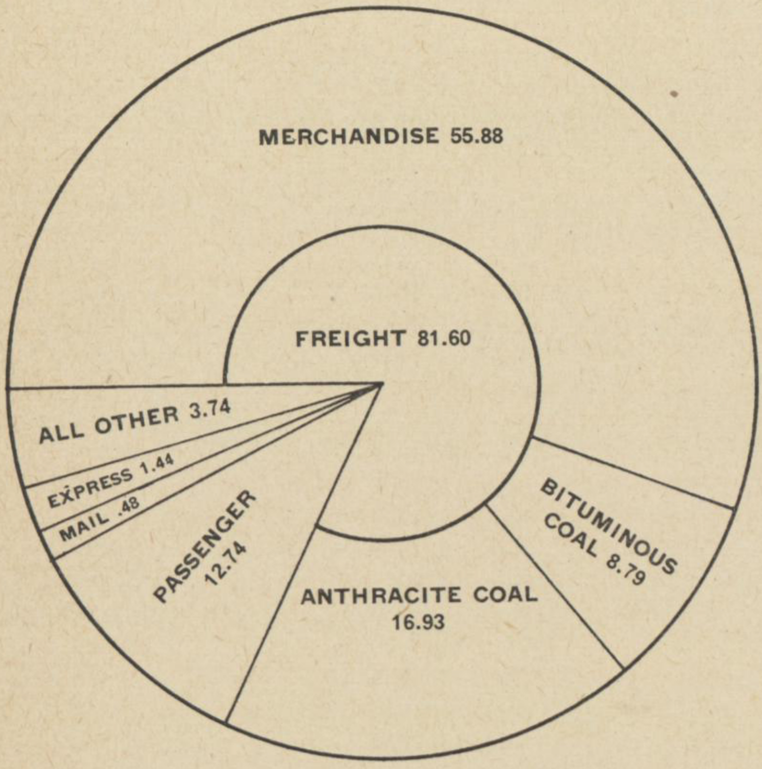
Early in 1944 directors of the Easton & Western Railroad Company, a subsidiary of your company, voted to change the name of the Easton and Western to the Central Railroad Company of Pennsylvania. The step is a preliminary toward realization of plans looking to setting up a separate organization to operate your company's trackage and properties in Pennsylvania.

Suburban Service

The Office of Defense Transportation on February 24, 1944, ordered the discontinuance of 68 of your company's 338 weekday suburban passenger trains, effective March 12, 1944, and directed readjustment of service on our remaining passenger trains in order to help expedite vital war freight to the fighting fronts. Your company, which was and still is faced with a severe manpower shortage, applied for the readjustment after discussions with the ODT and after submitting to the governmental agency a complete analysis of the passenger service, showing how it could be readjusted to help the war effort. The subsequent ODT order not only alleviated some of our manpower, mechanical and traffic density problems, but also made possible the lease of 40 of our passenger coaches to various railroads for troop-carrying purposes.

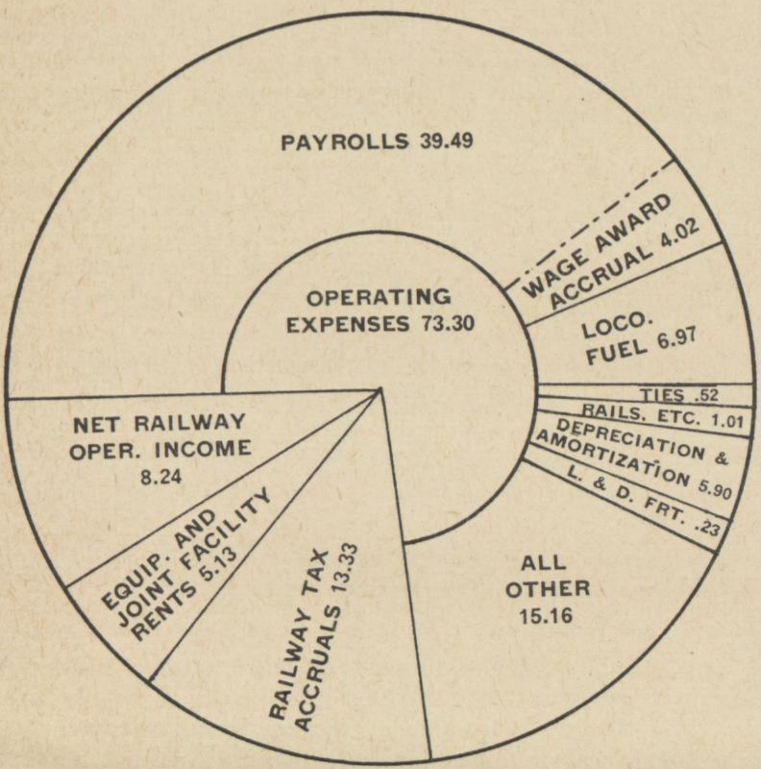
The following tables indicate the source and disposition of the Company's operating income for year 1943:

SOURCE



Operating Revenues	Amount	Per Cent
Freight:		
Anthracite Coal	$10,660,000	16.93
Bituminous Coal	5,539,000	8.79
Merchandise	35,189,420	55.88
Total	$51,388,420	81.60
Passenger	8,025,152	12.74
Mail	302,618	.48
Express	904,750	1.44
All Other	2,353,929	3.74
Grand Total	$62,974,869	100.00

DISPOSITION



Operating Expenses		Amount	Per Cent
Payrolls (incl. pensions)		$24,870,197	39.49
Wage Award Accrual		2,534,280	4.02
Locomotive Fuel		4,388,195	6.97
Ties		323,697	.52
Rails, Frogs and Switches		634,872	1.01
Depreciation and Amortization		3,718,334	5.90
Loss and Damage—Freight		146,046	.23
All Other		9,545,468	15.16
Total		$46,161,089	73.30
Railway Tax Accruals		8,396,227	13.33
Equip. and Jt. Fac. Rents		3,226,953	5.13
Net Railway Operating Income		$ 5,190,600	8.24
To apply on Rent of Lehigh and Susq. R.R.	$2,279,890		
Other Charges to Income—Net Cr.	604,453		
Net Income available for Bond Interest and Other Purposes	3,515,163		
Grand Total		$62,974,869	100.00

Investment Portfolio

During 1943 the trustees sold all of the stocks and bonds held as investments by the railroad company with the exception of the securities issued by its wholly owned subsidiary companies, its partially owned affiliated companies and 30 shares of Mahoning Coal Railroad Company, 182 shares of Globe and Rutgers Fire Insurance Company Second Preferred, and $483,480 par value of Philadelphia and Reading Coal and Iron Company Refunding 5s of 1973. The Globe and Rutgers stock and the remaining P&R C&I bonds were sold in January, 1944. The proceeds of all these sales were invested in United States Government issues.

As of the date of this report, this company owns the following United States Government securities:

Series	*Interest Rate*	*Maturity Date*	*Par Value*
TREASURY NOTES			
Tax Series "C"	.....	Sept. 1, 1945	$1,000,000
B—1946	1½%	Dec. 15, 1946	1,500,000
A—1947	1½%	Sept. 15, 1947	25,000
A—1948	1½%	Sept. 15, 1948	50,000
TREASURY BONDS			
1946/1949	3⅛%	June 15, 1949	605,800
1951/1955	3%	Sept. 15, 1955	25,000
1955/1960	2⅞%	Mar. 15, 1960	16,000
1962/1967	2½%	June 15, 1967	1,050,000
1967/1972	2½%	Sept. 15, 1972	125,000
1956/1959	2¼%	Sept. 15, 1959	275,000
1948/1950	2%	Mar. 15, 1950	22,000
1949/1951	2%	Dec. 15, 1951	260,000
1950/1952	2%	Sept. 15, 1952	530,000
1951/1953	2%	Sept. 15, 1953	3,425,000
1948	1¾%	June 15, 1948	320,000
SAVINGS BONDS			
"G"	2½%	May 1, 1953	50,000
"G"	2½%	Jan. 1, 1954	50,000
"G"	2½%	July 1, 1954	50,000
"G"	2½%	Jan. 1, 1955	100,000
"G"	2½%	Jan. 1, 1956	100,000
CERTIFICATES OF INDEBTEDNESS			
A-1945	⅞%	Feb. 1, 1945	425,000
B-1945	⅞%	April 1, 1945	250,000
		Total	$10,253,800

Oil Movement and Facilities

Rear Admiral Stanley V. Parker, captain of the port of New York, describes the harbor as the greatest wartime port in the world, and says the present volume of men and goods handled is nearly twice that of the prewar peak of 1926. In addition to carrying great quantities of other war freight, the Jersey Central has consistently delivered more tank cars to unloading racks in the metropolitan area than any other railroad. Your company terminates at least 42% of all the petroleum products shipped by rail into the New York harbor district, and handles another 9% of the cars which terminate on other railroads. From July 10, 1941, when we set off our first emergency shipment at the Standard Oil Company of New Jersey's Bayway refinery in Linden, through March 15, 1944, we delivered 438,865 cars of petroleum products to the various unloading points along our tracks. Based on the customary average of 215 barrels per car, this amounted to 94,355,975 barrels.

To handle this exceptional movement, your company engaged in two expansion programs. The large one, carried out under an agreement with the U. S. Defense Supplies Corp., entailed expenditure of about $407,000 for our Tremley Yard in Linden, including a complete car repair shop. We believe this hub of our oil operations is the world's largest tank car railroad yard. It includes about ten miles of trackage, has a capacity of more than 875 cars, and is equipped with teletypes and loud speakers to facilitate operations. Construction of additional yard tracks to handle oil at Bayonne, Carteret and Sewaren brought the total cost to about $495,000. If abandonment of any or all of these projects should prove desirable at any time within five years of completion, the government will reimburse your company, subject, however, to a deduction of 20% a year for whatever period the project has been used. The Tremley Yard went into operation August 2, 1943.

As a separate project, your company earlier expended about $75,000 for additional side track facilities and similar work in the Linden area. This work was completed in December, 1942.

Coal

Anthracite and bituminous coal produced around 26% of your company's total revenues. In peace times we habitually hauled more anthracite than bituminous, but the war has changed this ratio. In 1941 we carried about four tons of anthracite to every three tons of bituminous. In 1943, however, we handled approximately five tons of bituminous to every four tons of anthracite. Our revenue from anthracite, nearly half of which originates on our own line, averaged $1.24 a ton in 1943 compared with 53 cents a ton for bituminous, all of which is received from connections.

Approximately 28% of all the coal we handle goes to our busy Pier 18 at Jersey City for dumping into barges, which deliver it to the metropolitan area.

Equipment

To meet the constantly increasing war burdens, your company has made arrangements to buy ten new Diesel electric switching locomotives and 1,600 new freight cars, with delivery promised at various dates through the spring and summer of this year.

The Diesels are of the 1,000 horsepower type and will be used in our busy metropolitan district yards, bringing our total of such locomotives to 31. Five are coming from the Baldwin Locomotive Works and the other five from the American Locomotive Co., at a unit cost of $78,500, or a total cost of $785,000. Their purchase will be financed through conditional sales agreements. The advantages of Diesels in this type of service are fully recognized by your company, which was the first railroad in the nation to buy a Diesel electric locomotive. That locomotive, of 300 horsepower and known on the road as No. 1,000, was acquired in October, 1925, from the Ingersoll-Rand Co. of Phillipsburg, N. J., and still is in daily service in our Bronx Terminal Yard.

The 1,600 new freight cars comprise 1,000 gondola cars of 70-ton capacity from the Bethlehem Steel Co. at an estimated unit cost of $3,263 or a total cost of $3,263,210; 500 hopper cars of 50-ton capacity from the Pressed Steel Car Co. at an estimated unit cost of $2,586 or a total cost of $1,293,155, and 100 flat cars of 70-ton capacity from The Greenville Steel Co. at an estimated unit cost of $3,566 or a total of $356,608. It is expected that their purchase will be financed through an equipment trust issue.

Wages

Additional wage increases resulted in 1943 for both operating and non-operating employes. The non-operating employes, through their various organizations, served notice of their demands late in September, 1942, and the operating employes followed late in January, 1943. Details of these demands were recounted in the last annual report.

The procedures established by the Railway Labor Act and by two presidential executive orders failed to produce agreement, and President Roosevelt offered to arbitrate the wage disputes personally. The offer was accepted by the railroads and by the Brotherhood of Railroad Trainmen and the Brotherhood of Locomotive Engineers, but was rejected by the three other operating organizations and by the non-operating organizations.

The presidential ruling affirmed a four cents an hour increase, effective April 1, 1943, which had been recommended by an emergency board, and awarded an additional five cents an hour, effective December 27 1943, in lieu of time and one half pay for overtime after 40 hours a week and in lieu of expenses while away from home. The ruling also gave the two brotherhoods one week's vacation annually with pay. Under an agreement dated January 14, 1944, the other three operating organizations obtained the same terms.

An agreement also was reached under date of January 17, 1944, between the railroads and the non-operating employes. This provided for wage increases, retroactive to February 1, 1943, on the basis of a sliding scale ranging from ten cents an hour for the lowest-paid employes to four cents an hour for the highest bracket. In addition, the agreement provided for further wage increases, effective December 27, 1943, on a sliding scale ranging from one cent an hour to the lowest-paid employes to five cents an hour for the highest bracket, in lieu of time and one half pay for overtime after 40 hours a week.

To meet these raises, your company accrued $2,740,000 during the year. The wage increases, plus the vacations with pay, are estimated to increase our expenses about $3,260,000 annually, based on the present force.

Manpower

To cope with personnel and manpower problems, your company established a personnel bureau in 1943 and became the first eastern railroad to file a replacement schedule and to receive approval from state selective service headquarters. These schedules provide for the orderly release of men to the armed services, giving your company an opportunity to make plans and to train new employes, and making for a minimum of disruption to our essential operations.

Compared with a total payroll of slightly over 12,000, the Jersey Central had 2,674 employes in military service as of March 31, 1944. This left us with about 1,160 vacancies, showing that the manpower problem remains critical, though the company is constantly increasing its use of women workers wherever possible. The leading departmental losses to military service were transportation, 915; motive power and rolling equipment, 780; maintenance of way, 466, and marine and lighterage, 323.

Freight and Passenger Rates

After hearings on the petition of the Office of Price Administration and the Secretary of Agriculture to cancel the moderate increases in freight and passenger rates authorized in 1942, the Interstate Commerce Commission effective May 15, 1943, suspended until January 1, 1944, the freight rate increases and in effect revoked the increase in commutation fares, pending further investigation. At the same time the I. C. C. declined to cancel the increases in other types of passenger fares, holding that passenger traffic in recent years had not borne a proportionate share of the cost of railroad operations.

After the I. C. C. had instituted its investigation into commutation fares in several areas, including the New York district, the interested carriers requested suspension of the proceeding during the war emergency because of the shortage of manpower necessary to prepare the elaborate cost studies needed in the investigation. Your trustees still have the right to apply to the I. C. C. for special consideration of your company's commutation fare problem.

When the I. C. C. returned its decision, which was detailed in your company's last annual report, it indicated that developments during 1943 would determine whether the suspension in freight rates should be continued or whether the higher rates should be restored. Later in 1943 the railroads consented to an order extending the suspension of freight rate increases until July 1, 1944.

Lighterage and Carfloat Rates

Federal District Judge Guy L. Fake authorized your company's trustees on February 14, 1944, to file a formal complaint with the Interstate Commerce Commission in an effort to obtain fair and reasonable compensation from connecting railroads for the lighterage and carfloat services which we perform in the New York harbor area. The petition to the I. C. C. is in the process of preparation.

Due to our comparatively short haul which averages only about 90 miles for our New York harbor business, we have been losing an average of more than $2.25 a ton on all lighterage freight, and more than $1.60 a ton on carfloat merchandise traffic. The standard allowance from the joint rates for each of these services is 88 cents a ton, with some exceptions, while the services have been costing your company an average of more than $3.15 a ton for lighterage and more than $2.50 a ton for carfloat service.

This less-than-cost practice originated some time prior to 1893 and is of obvious advantage to the longer trunk line carriers because it enables them to retain more than their just share of the joint rates to the prejudice of the shorter terminal lines, including the Jersey Central.

The authorization to complain to the I. C. C. was obtained after your company failed to obtain a reasonable increase by voluntary action of the participating carriers. It is intended not only to seek fair and lawful compensation for the future, but also to go into the question of past allowances.

Army Possession

In mid-December, 1943, the operating organizations threatened to strike starting December 30th to enforce their wage demands. The Jersey Central was included in the group of key railroads selected as the first day's target.

At 7 p. m. on December 27th President Roosevelt, acting through Secretary of War Stimson, took possession of the railroads to prevent the threatened interruption of vital transportation service. Responsibility for operation of the railroads was placed under the Army Service Forces, and Major C. D. McLaughlin, subsequently succeeded by Major H. T. Noble, was assigned to your company as the Army's representative. Normal functions and operations were continued under the various railroads' own managements however, and the railroads were returned to private control effective at midnight on January 18, 1944. The government and each railroad exchanged mutual releases under which the government waived any right for an accounting and the railroad discharged the United States from all claims on the subject of government operation and control.

Health and Safety

In order to help combat preventable absences, both the safety and health programs of your company are being expanded to such extent as is practical and feasible.

An expansion of our safety program is particularly desirable in these times of war emergency, because an influx of inexperienced workers has the tendency, unless combatted by intensive measures, of increasing accidents and damage claims. This also makes for lost time when we and the nation can least afford it.

In 1943 our accident record was nine employes killed and 365 injured. This gave us a ratio of 11.90 killed and injured per million man hours, placing us seventh on a list of 11 eastern railroads. In 1942, our ratio was 12.45 and our rating on the same list was eighth. It can be seen that some progress has been made, but we are striving for better results.

The year 1944 is expected to see completion of the reorganization of the Medical Department, with resultant increase of efficiency in administrative details as well as in medical work. As noted in the last annual report, your company maintains completely equipped hospitals at the Jersey City Terminal and at the Elizabethport Shops. To intensify efforts of the department's first aid division, which was organized in 1942, a refresher course is planned this year for the present participants, as well as a new course for those who have not had the benefit of this training.

In closing, your company wishes to acknowledge the efficient service of its employes and the fine cooperation of shippers, the traveling public, the armed services and the various government agencies. All contributed to this railroad's successful accomplishments of 1943, and with continued cooperation your company faces the goals of 1944 with confidence.

Appended will be found balance sheet as of Dec. 31, 1943, and various other informative statements.

WILLIAM WYER,
Chief Executive Officer.

SHELTON PITNEY,
WALTER P. GARDNER,
Trustees.

The Management records with profound sorrow the death of:

Arthur E. Owen, 68, entered your service in April, 1898, and was chief engineer from July 1, 1916, until his death March 21, 1944. Mr. Owen was a very capable officer and a man of keen judgment and high integrity. Through his long connection with the road he knew Jersey Central history more intimately than any other officer, and his counsel and advice were of the greatest value. He served your Company well and faithfully and his passing is a distinct loss to the company and to those associated with him.

Philemon S. Lewis, 54, who served as general manager of your company from July 29, 1941, until his resignation effective July 1, 1943. Mr. Lewis had also served as General Manager of the Reading Railroad with which he had been associated since July 1, 1911. He died unexpectedly on July 7, 1943. Mr. Lewis was an exceptional man of wide talents. He combined an intimate knowledge of the railroad business with rare administrative ability. These traits, and his unfailing courtesy and humanism, won him the affection and sincere regard of all his associates, even in the comparatively short time he was with us.

GENERAL BALANCE SHEET

DECEMBER 31, 1943, COMPARED WITH DECEMBER 31, 1942

Assets	December 31, 1943	December 31, 1942 *	Increase	Decrease
Investments:				
Road Property	$ 96,972,107.24	$ 96,809,362.86	$ 162,744.38	
Equipment Property	56,190,438.38	53,788,138.16	2,402,300.22	
Total	$ 153,162,545.62	$ 150,597,501.02	$ 2,565,044.60	
Improvements on Leased Property	$ 13,793,773.29	$ 13,501,384.02	$ 292,389.27	
Donations and Grants	# 2,980,676.54	# 2,987,641.13	6,964.59	
Deposits in lieu of Mortgaged Property Sold	755,223.53	705,891.05	49,332.48	
Maintenance Funds	592,309.84		592,309.84	
Miscellaneous Physical Property	3,182,687.63	3,025,346.94	157,340.69	
Investments in Affiliated Companies,				
Stocks	4,494,151.02	4,527,701.02		$ 33,550.00
Bonds	2,454,000.00	5,070,654.00		2,616,654.00
Other Secured Obligations	40,000.00	40,000.00		
Unsecured Notes	700,000.00	700,000.00		
Investment Advances	5,150,589.01	5,147,771.49	2,817.52	
Other Investments,				
Stocks	1,613,060.06	1,628,840.06		15,780.00
Bonds	7,595,942.57	4,454,474.56	3,141,468.01	
Other Secured Obligations				
Unsecured Notes		1.00		1.00
Investment Advances				
Reserve for Adjustment of Investment in Securities	# 1,855,152.00	# 1,855,152.00		
Total	$ 35,535,908.41	$ 33,959,271.01	$ 1,576,637.40	
Current Assets:				
Cash	$ 3,971,696.43	$ 7,359,981.13		$ 3,388,284.70
Temporary Cash Investments	250,000.00		$ 250,000.00	
Special Deposits	174,307.74	146,491.17	27,816.57	
Loans and Bills Receivable	1,330.07	6,275.76		4,945.69
Traffic and Car Service Balances—Debit				
Net Balances Receivable from Agents and Conductors	5,947,994.73	4,618,145.65	1,329,849.08	
Miscellaneous Accounts Receivable	10,335,465.01	4,312,527.47	6,022,937.54	
Material and Supplies	3,705,497.12	3,293,775.61	411,721.51	
Interest and Dividends Receivable	77,782.48	122,404.96		44,622.48
Other Current Assets	139,851.12	70,589.48	69,261.64	
Total	$ 24,603,924.70	$ 19,930,191.23	$ 4,673,733.47	
Deferred Assets:				
Working Fund Advances	$ 115,933.77	$ 110,909.42	$ 5,024.35	
Insurance and Other Funds	981,403.60	894,909.08	86,494.52	
Other Deferred Assets	508,584.81	497,450.23	11,134.58	
Total	$ 1,605,922.18	$ 1,503,268.73	$ 102,653.45	
Unadjusted Debits:				
Rents and Insurance Premiums Paid in Advance	$ 85,776.71	$ 129,644.26		$ 43,867.55
Other Unadjusted Debits	1,527,247.79	1,164,215.07	$ 363,032.72	
Securities Issued or Assumed—Unpledged Ⓧ	1,267,000.00	1,267,000.00		
Total	$ 2,880,024.50	$ 2,560,859.33	$ 319,165.17	
Grand Total	$ 217,788,325.41	$ 208,551,091.32	$ 9,237,234.09	

* The General Balance Sheet for December 31, 1942, has been reclassified where necessary to conform to the I. C. C. Classification of Accounts in effect at December 31, 1943, for comparative purposes.

# Denotes credit. Ⓧ In Company's treasury.

GENERAL BALANCE SHEET

DECEMBER 31, 1943, COMPARED WITH DECEMBER 31, 1942

Liabilities	December 31, 1943	December 31, 1942 *	Increase	Decrease
Stock:				
Capital Stock,				
Common—Authorized............$30,000,000.00				
Not Issued............ 2,563,200.00				
Outstanding..........................	$ 27,436,800.00	$ 27,436,800.00		
Long Term Debt:				
Funded Debt Unmatured:				
Equipment Obligations with Public..............	$ 1,806,761.84		$ 1,806,761.84	
Mortgage Bonds in Co's Treasury...............	1,267,000.00	$ 1,267,000.00		
Mortgage Bonds with Public....................	48,731,000.00	48,731,000.00		
Amounts Payable to Affiliated Companies........	837.57	4,277.67		$ 3,440.10
Total..	$ 51,805,599.41	$ 50,002,277.67	$ 1,803,321.74	
Current Liabilities:				
Traffic and Car Service Balances—Credit..........	$ 3,803,584.53	$ 8,133,528.95		$ 4,329,944.42
Audited Accounts and Wages Payable..............	5,537,886.34	3,185,468.14	$ 2,352,418.20	
Miscellaneous Accounts Payable..................	145,599.90	26,148.34	119,451.56	
Interest Matured Unpaid........................	20.00	20.00		
Dividends Matured Unpaid.......................	49,324.50	49,324.50		
Unmatured Rents Accrued........................	7,871.25	7,978.15		106.90
Accrued Tax Liability..........................	3,772,036.93	2,086,131.16	1,685,905.77	
Other Current Liabilities......................	623,786.22	538,832.73	84,953.49	
Total..	$ 13,940,109.67	$ 14,027,431.97		$ 87,322.30
Deferred Liabilities:				
Interest in default............................	$ 11,948,653.75	$ 9,562,003.75	$ 2,386,650.00	
Other Deferred Liabilities.....................	9,934,952.66	10,689,588.30		$ 754,635.64
Total..	$ 21,883,606.41	$ 20,251,592.05	$ 1,632,014.36	
Unadjusted Credits:				
Insurance and Casualty Reserves................	$ 878,860.66	$ 792,381.14	$ 86,479.52	
Maintenance Reserve............................	590,320.00		590,320.00	
Accrued Amortization of Defense Projects—Road....	55,443.61	6,699.92	48,743.69	
Accrued Depreciation—Road and Equipment.......	32,718,140.66	30,768,705.72	1,949,434.94	
Accrued Amortization of Defense Projects—Equipment..	1,817,657.71	520,342.57	1,297,315.14	
Other Unadjusted Credits.......................	2,448,634.91	1,786,781.27	661,853.64	
Total..	$ 38,509,057.55	$ 33,874,910.62	$ 4,634,146.93	
Surplus:				
Appropriated Surplus...........................	$ 64,322,607.97	$ 64,421,221.30		$ 98,613.33
Earned Surplus.................................	ⓧ 109,455.60	ⓧ 1,463,142.29	$ 1,353,686.69	
Total..	$ 64,213,152.37	$ 62,958,079.01	$ 1,255,073.36	
Grand Total....................................	$ 217,788,325.41	$ 208,551,091.32	$ 9,237,234.09	

*The General Balance Sheet for December 31, 1942, has been reclassified where necessary to conform to the I. C. C. Classification of Accounts in effect at December 31, 1943, for comparative purposes.

ⓧ Denotes debit.

PROFIT AND LOSS

DECEMBER 31, 1943

Debit Balance December 31, 1942	$1,463,142.29	
Surplus Appropriated for Investment in Physical Property	60,359.70	
Miscellaneous Debits	31,868.96	
Total Debits		$1,555,370.95
Credit Balance transferred from Income	$712,859.61	
Miscellaneous Credits	733,055.74	
Total Credits		1,445,915.35
Debit Balance December 31, 1943		$ 109,455.60

INCOME ACCOUNT

YEAR ENDED DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

	1943	1942	Increase	Decrease
Operating Revenues:				
Merchandise	$ 35,189,420.15	$ 30,664,782.53	$ 4,524,637.62	
Bituminous Coal	5,539,000.00	5,553,000.00		$ 14,000.00
Anthracite Coal	10,660,000.00	11,361,000.00		701,000.00
Passenger	8,025,152.04	6,660,520.21	1,364,631.83	
Baggage	2,396.49	2,123.74	272.75	
Parlor and Chair Car	17,180.94	16,250.59	930.35	
Mail	302,617.41	299,443.86	3,173.55	
Express	904,750.40	706,529.71	198,220.69	
Other Passenger Train	61,296.65	59,143.98	2,152.67	
Milk	14,516.49	11,714.45	2,802.04	
Switching	45,465.43	60,696.66		15,231.23
Water Transfers—Freight	3,211.81	7,252.10		4,040.29
Water Transfers—Passenger	191,024.01	81,297.85	109,726.16	
Water Transfers—Vehicles and Live Stock	268,422.50	333,996.24		65,573.74
Water Transfers—Other	6,368.97	6,234.43	134.54	
Incidental	1,728,039.73	1,611,135.08	116,904.65	
Joint Facility	16,006.21	11,622.20	4,384.01	
Total	$ 62,974,869.23	$ 57,446,743.63	$ 5,528,125.60	
Operating Expenses:				
Maintenance of Way and Structures	$ 7,755,965.79	$ 5,780,543.62	$ 1,975,422.17	
Maintenance of Equipment	10,754,849.72	9,865,477.01	889,372.71	
Traffic	603,356.20	560,145.92	43,210.28	
Transportation	25,406,506.03	21,740,628.32	3,665,877.71	
Miscellaneous Operations	335,046.54	296,234.70	38,811.84	
General	1,305,364.52	1,067,512.42	237,852.10	
Total	$ 46,161,088.80	$ 39,310,541.99	$ 6,850,546.81	
Net Revenue from Railway Operations	$ 16,813,780.43	$ 18,136,201.64		$ 1,322,421.21
Charges to Net Revenues from Railway Operations:				
Railway Tax Accruals	$ 8,396,227.65	$ 5,441,556.44	$ 2,954,671.21	
Hire of Equipment	2,925,833.48	3,099,060.27		$ 173,226.79
Joint Facility Rents	301,119.31	273,732.48	27,386.83	
Total Charges to Net Revenues	$ 11,623,180.44	$ 8,814,349.19	$ 2,808,831.25	
Net Railway Operating Income	$ 5,190,599.99	$ 9,321,852.45		$ 4,131,252.46
Non-operating Income:				
Miscellaneous Rent Income	$ 293,807.31	$ 252,923.68	$ 40,883.63	
Dividend Income	71,056.67	203,931.81		$ 132,875.14
Income from Funded Securities	305,679.70	483,726.07		178,046.37
Income from Unfunded Securities and Accounts	42,615.05	31,225.32	11,389.73	
Total	$ 713,158.73	$ 971,806.88		$ 258,648.15
Other Non-operating Income:				
Miscellaneous Non-operating Physical Property	$ 94,088.20	$ 67,539.87	$ 26,548.33	
Separately Operated Properties—Profit	6,179.21	4,667.04	1,512.17	
Income from Sinking and Other Reserve Funds	25,948.89	22,250.70	3,698.19	
Miscellaneous Income	551.04	403.22	147.82	
Total Other Income	$ 126,767.34	$ 94,860.83	$ 31,906.51	
Total Non-operating Income	$ 839,926.07	$ 1,066,667.71		$ 226,741.64
Gross Income	$ 6,030,526.06	$ 10,388,520.16		$ 4,357,994.10
Deductions from Gross Income:				
Rent for Leased Roads and Equipment	$ 2,380,025.18	$ 2,372,926.60	$ 7,098.58	
Miscellaneous Rents	4,943.04	5,306.68		$ 363.64
Miscellaneous Tax Accruals	126,631.85	165,352.22		38,720.37
Separately Operated Properties—Loss	1,888.37		1,888.37	
Interest on Funded Debt	2,430,742.67	2,386,650.00	44,092.67	
Interest on Unfunded Debt	371,560.34	409,480.42		37,920.08
Maintenance of Investment Organization	225.00		225.00	
Miscellaneous Income Charges	1,650.00	2,140.10		490.10
Total Deductions from Gross Income	$ 5,317,666.45	$ 5,341,856.02		$ 24,189.57
Net Income	$ 712,859.61	$ 5,046,664.14		$ 4,333,804.53
Credit Balance Transferred to Profit and Loss	$ 712,859.61	$ 5,046,664.14		$ 4,333,804.53

FUNDED DEBT AS OF DECEMBER 31, 1943

NAME OF SECURITY	Date of Issue	Date of Maturity	Total Amount Issued	Held by Company	Amount Actually Outstanding	INTEREST		
						Rate per Cent	Due	Charged to Income During the Year
MORTGAGE BONDS								
The Central R. R. Co. of New Jersey—Coupon	July 1 1887	July 1, 1987	$17,664,000.00	$1,133,000.00	$16,531,000.00	5	Jan. and July	$ 826,550.00
The Central R. R. Co. of New Jersey—Registered	July 1, 1887	July 1, 1987	27,334,000.00	124,000.00	27,210,000.00	5	Jan., April, July and Oct.	1,360,500.00
The Central R. R. Co. of New Jersey—Coupon	Jan. 1, 1928	July 1, 1987	4,657,000.00	10,000.00	4,647,000.00	4	Jan. and July	185,880.00
The Central R. R. Co. of New Jersey—Registered	Jan. 1, 1928	July 1, 1987	343,000.00		343,000.00	4	Jan., April, July and Oct.	13,720.00
Total Mortgage Bonds................			$49,998,000.00	$1,267,000.00	$48,731,000.00			$ 2,386,650.00
EQUIPMENT OBLIGATIONS								
The Central R. R. Co. of New Jersey Conditional Sale Agreements..............	June 1, 1942	May 31, 1947	$ 3,226.360.00		$ 1,806,761.84	2⅜	Monthly	$ 44,092.67
Total Equipment Obligations...........			$ 3,226,360.00		$ 1,806,761.84			$ 44,092.67
Grand Total.....................			$53,224,360.00	$1,267,000.00	$50,537.761.84			$2,430,742.67

INSURANCE RESERVE FUND
FOR YEAR ENDED DECEMBER 31, 1943

Cash on Hand, December 31, 1942		$ 16,979.51
RECEIPTS		
Contributions to Fund	$90,000.00	
Sale of Securities	—	
Interest and Dividends from Securities in Fund	50.40	90,050.40
		$107,029.91
DISBURSEMENTS		
Fire and Marine Losses	$ 3,520.48	
Purchase of Securities	80,000.00	
Accrued interest paid on purchase of Securities	—	83,520.48
Cash on Hand, December 31, 1943		$ 23,509.43

ASSETS		LIABILITIES	
Cash	$ 23,509.43	Balance of Reserve, Dec. 31, 1943	$878,860.66
Securities	855,351.23	Claims unpaid	
Total	$878,860.66	Total	$878,860.66

SECURITIES	Date of Maturity	Par Value	Book Value
Federal Farm Mortgage Corp., 3¼% Bonds	1944–64	$15,000.00	$15,173.17
U. S. Government, 1½% Treasury Bonds	1947	25,000.00	25,000.00
U. S. Government, 1¾% Treasury Bonds	1948	70,000.00	70,000.00
U. S. Government, 2% Treasury Bonds	1948–50	17,000.00	17,293.75
U. S. Government, 2% Treasury Bonds	1950–52	30,000.00	30,000.00
U. S. Government, 2% Treasury Bonds	1951–53	25,000.00	25,000.00
U. S. Government, 2½% Treasury Bonds	1962–67	50,000.00	50,000.00
U. S. Government, 2⅞% Treasury Bonds	1955–60	16,000,00	16,151.57
U. S. Government, 3% Treasury Bonds	1951–55	25,000.00	25,019.05
U. S. Government, 3⅛% Treasury Bonds	1946–49	560,000.00	581,713.69
Total Securities		$833,000.00	$855,351.23

SECURITIES

DECEMBER 31, 1943

STOCKS	Amount of Issue as of December 31, 1943	Owned by Company	
		Par Value	Book Value
Affiliated Companies			
Allentown Terminal R. R. Co.	$ 450,000.00	A $ 225,000.00	$ 225,000.00
American Dock and Improvement Co.	30,000.00	B 30,000.00	1,000.00
Bay Shore Connecting R. R. Co.	55,800.00	27,900.00	27,900.00
Communipaw Central Land Co.	2,000.00	2,000.00	2,000.00
Dover and Rockaway R. R. Co.	150,000.00	C 75,000.00	79,000.00
Elizabethport and New York Ferry Co.	1,455.00	1,455.00	1,455.00
Easton and Western R. R. Co.	50,000.00	50,000.00	50,000.00
Edroyal Corporation	750,000.00	750,000.00	750,000.00
Hunter Run Water Co.	5,000.00	5,000.00	3.196.02
Jersey Central Transportation Co.	20,000.00	20,000.00	20,000.00
Mount Hope Mineral R. R. Co.	160,000.00	109,300.00	†
New York and Long Branch R. R. Co.	4,000,000.00	D 2,000,000.00	2,000,000.00
Newark Warehouse Co.	10,000.00	10,000.00	1,000.00
Ogden Mine R. R. Co.	450,000.00	450,000.00	67,500.00
Penn Haven Realty Co.	15,000.00	15,000.00	15,000.00
Railway Express Agency, Inc.		*	1,100.00
Wharton and Northern R. R. Co.	500,000.00	500,000.00	x 1,250,000.00
Total	x x x x	$4,270,655.00	$4,494,151.02
Other Investments			
Globe and Rutgers Fire Insurance Co. 2nd preferred		$ 2.730.00	$ 10,013.28
Lehigh and Hudson River Ry. Co.	$4,707,000.00	787,000.00	748,287.20
Mahoning Coal R. R. Co.		1,500.00	15,150.00
Raritan River R. R. Co.	1,000,000.00	495,300.00	839,609.58
Total	x x x x	$1,286,530.00	$1,613,060.06
Grand Total	x x x x	$5,557,185.00	$6,107,211.08

* Without nominal or par value.

† Included in amount shown as book value of Wharton and Northern R. R. Co.

x Includes book value of Mount Hope Mineral R. R. Co.

A Pledged under General Mortgage	$ 225,000.00
B Pledged under General Mortgage	30,000.00
C Pledged under General Mortgage	45,000.00
D Pledged under General Mortgage	2,000,000.00
	$2,300,000.00

SECURITIES—Continued

DECEMBER 31, 1943

BONDS	Date of Maturity	Amount of Issue as of December 31, 1943	Owned by Company	
			Par Value	Book Value
Affiliated Companies				
Allentown Terminal R. R. Co., 4½% First Mortgage Gold Bonds	1954	$ 450,000.00	$ 205,000.00	$ 205,000.00
Dover and Rockaway R. R. Co., 6% First Mortgage Bonds.	Demand*	35,000.00	35,000.00	35,000.00
New York and Long Branch R. R. Co., 4% Cons. Mtge. Gold Bonds, Series "B"	1981	2,902,000.00	1,445,000.00	1,445,000.00
New York and Long Branch R. R. Co., 5% Cons. Mtge. Gold Bonds, Series "A"	1979	538,000.00	269,000.00	269,000.00
Newark Warehouse Company, 6% Gold Bond	Demand*	1,100,000.00	1,100,000.00	500,000.00
Total		x x x x	$3,054,000.00	$2,454,000.00
*Past Due.				
Other Investments				
Phila. and Reading Coal and Iron Co., Ref. Mtge. 5% Sinking Fund Gold Bonds	1973		$ 483,480.00	$ 80,580.00
Reconstruction Finance Corp., 1% Notes, Series "W"	1944		35,000.00	35,000.00
New York City Bonds, 4%	1959		50.00	49.50
New York City Bonds, 3%	1980		A 71,000.00	72,343.75
New York City Bonds, 4½%	1957		A 3,000.00	3,000.00
New York City Bonds, 4%	1956		A 300.00	297.00
New York City Bonds, 4¼%	1964		B 10,700.00	10,987.50
U. S. Government Savings Bonds, 2½%, Series "G"	1954		70,000.00	70,000.00
U. S. Government Savings Bonds, 2½%, Series "G"	1953		E 50,000.00	50,000.00
U. S. Government Savings Bonds, 2½%, Series "G"	1954		E 30,000.00	30,000.00
U. S. Government Savings Bonds, 2½%, Series "G"	1955		E 100,000.00	100,000.00
U. S. Government Treasury Bonds, 2%	1948–50		5,000.00	5,000.00
U. S. Government Treasury Bonds, 2%	1950–52		500,000.00	500,000.00
U. S. Government Treasury Bonds, 2%	1951–53		3,400,000.00	3,400,000.00
U. S. Government Treasury Bonds, 2%	1949–51		E 260,000.00	260,000.00
U. S. Government Treasury Bonds, 2½%	1962–67		1,000,000.00	1,000,000.00
U. S. Government Treasury Bonds, 2½%	1967–72		5,000.00	5,000.00
U. S. Government Treasury Bonds, 2½%	1967–72		E 110,000.00	110,000.00
U. S. Government Treasury Bonds, 3⅛%	1946–49		300.00	313.07
U. S. Government Treasury Bonds, 3⅛%	1946–49		E 40,500.00	42,309.84
U. S. Government Treasury Notes, 1½%, Series "B"	1946		1,500,000.00	1,500,000.00
U. S. Government Treasury Notes of Tax, Series "C"	1945		1,000,000.00	1,000,000.00
U. S. Government Treasury Bonds, 3⅛%	1946–49		C 5,000.00	5,209.69
U. S. Government Treasury Bonds, 2½%	1967–72		C 10,000.00	10,000.00
U. S. Government Certificate of Indebtedness, ⅞%, Series "B"	1944		F 250,000.00	250,000.00
Total		x x x x	$8,939,330.00	$8,540,090.35
Grand Total		x x x x	$11,993,330.00	$10,994,090.35
Cash on deposit with New York State Insurance Fund		x x x x	D $705.00	$705.00

A	Deposited with the City of New York under Agreements	$74,300.00	Included in account "Insurance and Other Funds."
B	Deposited with the State of New York (State Industrial Commission)	10,000.00	
B	Deposited with the City of New York under Agreements	700.00	
C	Deposited with the Federal Reserve Bank of New York under Agreements with U. S. Employees Compensation Commission	10,000.00	
C	Deposited with the State of New York (State Industrial Commission)	5,000.00	
D	Deposits on annual premium for New York Workmen's Compensation policy.	705.00	
E	Deposited with Company's Treasurer until disbursed in settlement of charges incurred for deferred maintenance	590,500.00	Included in account "Maintenance Funds."
F	Temporary cash investment	250,000.00	Included in account "Temporary Cash Investments."

SECURITIES—Continued

DECEMBER 31, 1943

	Date of Maturity	Total Amount of Issue as of December 31, 1943	Owned by Company	
			Par Value	Book Value
SECURITIES—BONDS				
C. R. R. Co. of N. J., 4% General Mortgage Gold Bonds.	1987	$5,000,000.00	$ 10,000.00	$ 10,000.00
C. R. R. Co. of N. J., 5% General Mortgage Gold Bonds.	1987	44,998,000.00	1,257,000.00	1,257,000.00
			$1,267,000.00	$1,267,000.00
NOTES AND MORTGAGES				
Edroyal Corporation, 1½%	On demand	$ 250,000.00	$ 250,000.00	$ 250,000.00
Edroyal Corporation, 1½%	On demand	450,000.00	450,000.00	450,000.00
Penn Haven Realty Company, 6%	When called	40,000.00	40,000.00	40,000.00
Total Affiliated Companies			$ 740,000.00	$ 740,000.00

ADDITIONS AND BETTERMENTS

YEAR ENDED DECEMBER 31, 1943

Road Owned and Leased	Gross Capital Charges	Retirements	Net Capital Charges
Betterment of Rail and Improved Other Track Material (All Divisions)	$ 112,631.94		$ 112,631.94
Flood Lights, Jersey City Yard	7,390.28		7,390.28
Strengthening Bridge #11/00 and #11/24, Elizabeth, N. J.	50,439.92		50,439.92
Renewal of Steam Lines, Jersey City, N. J.	20,346.92		20,346.92
Replacing Float Bridge #5, Jersey City, N. J.	65,697.28	$ 1,800.00	63,897.28
Additional Side Track Facilities, Tremley, N. J.	14,970.13		14,970.13
Renewing Car Dumpers #1 and #2, Jersey City, N. J.	25,631.87		25,631.87
Strengthening Bridge #11/16, Elizabeth, N. J.	40,623.46	932.10	39,691.36
Construction of Diesel Locomotive Repair Shop, Elizabethport, N. J.	6,765.84		6,765.84
Locker and Toilet Facilities, Boiler House, Elizabethport, N. J.	10,494.81		10,494.81
Construction of Building for Labor Camp, Elizabethport, N. J.	37,837.39		37,837.39
Replacing dry kiln building, Elizabethport, N. J.	15,686.95		15,686.95
Additional track facilities for oil tank cars, Carteret, N. J.	43,075.51		43,075.51
Additional track facilities for oil tank cars, Sewaren, N. J.	13,614.33		13,614.33
Additional track facilities for oil tank cars, Bayonne, N. J.	27,699.81		27,699.81
Additional track facilities for oil tank cars, Tremley, N. J.	369,227.88		369,227.88
Installation of culverts under tracks, Glen Onoka to Tannery, Pa.	14,967.44		14,967.44
Installation of culverts under tracks, White House, N. J.	8,051.98		8,051.98
Locker and dormitory building at Engine Terminal, Bethlehem, Pa.	11,930.41		11,930.41
Retirements:			
Atlantic Highlands, N. J., Bunk House		10,278.06	*10,278.06*
Jersey City, N. J., Sulphur Handling Facilities		20,096.58	*20,096.58*
Hibernia, N. J., Tracks		37,867.60	*37,867.60*
New York, N. Y., Facilities, Pier No. 80		122,913.93	*122,913.93*
Ashley, Pa., Machinery		5,310.08	*5,310.08*
Southern Sub Division, Tracks and Buildings		22,481.00	*22,481.00*
Nanticoke Branch, Pa., Tracks		10,332.50	*10,332.50*
Transfer of Value of Meadow Land at Elizabethport from Road Property to Miscellaneous Physical Property, by Order of the I. C. C.		171,525.41	*171,525.41*
Miscellaneous	157,076.03	195,489.27	*38,413.24*
Total Road Owned and Leased	$1,054,160.18	$ 599,026.53	$ 455,133.65
EQUIPMENT:			
New Equipment Purchased:			
One thousand Gondola Cars	$2,738,113.04		$2,738,113.04
Four Barges	44,014.44		44,014.44
Additions and Betterments to Existing Equipment	58,942.24		58,942.24
Retired Equipment:			
Freight Train Cars		$ 35,297.19	*35,297.19*
Passenger Train Cars		6,867.20	*6,867.20*
Work Equipment Cars		2,462.87	*2,462.87*
Floating Equipment		393,436.24	*393,436.24*
Miscellaneous Equipment		706.00	*706.00*
Total Equipment	$2,841,069.72	$ 438,769.50	$2,402,300.22
Grand Total	$3,895,229.90	$1,037,796.03	$2,857,433.87

CLASSIFICATION OF TONNAGE

YEAR ENDED DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

COMMODITIES	1943		1942	
	Tons	Per Cent	Tons	Per Cent
Products of Agriculture	1,454,939	2.85	1,240,519	2.59
Animals and Products	516,463	1.01	483,519	1.01
Products of Mines	24,747,042	48.44	26,137,204	54.52
Products of Forests	1,168,825	2.29	1,219,624	2.54
Manufactures and Miscellaneous	20,966,543	41.04	16,749,392	34.94
All Other	1,673,526	3.28	1,550,559	3.23
Grand Total, Carload Traffic	50,527,338	98.91	47,380,817	98.83
All L. C. L. Freight	554,544	1.09	563,092	1.17
Grand Total, Carload and L. C. L. Traffic	51,081,882	100.00	47,943,909	100.00

Italics denote credits.

OPERATING EXPENSES

YEAR ENDED DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

	1943	1942	Increase	Decrease
MAINTENANCE OF WAY AND STRUCTURES				
Superintendence	$ 325,174,88	$ 298,648.98	$ 26,525.90	
Roadway Maintenance	392,410.19	842,515.54		$ 450,105.35
Tunnels and Subways	9,702.96	9,352.32	350.64	
Bridges, Trestles and Culverts	267,881.85	269,536.84		1,654.99
Ties	323,697.07	282,360.43	41,336.64	
Rails	206,890.66	215,500.53		8,609.87
Other Track Material	427,980.54	391,302.97	36,677.57	
Ballast	84,018.87	68,189.77	15,829.10	
Track Laying and Surfacing	1,257,265.27	1,351,991.19		94,725.92
Fences, Snowsheds, and Signs	11,289.10	12,359.24		1,070.14
Station and Office Buildings	320,473.90	392,939.33		72,465.43
Roadway Buildings	4,927.18	6,929.59		2,002.41
Water Stations	41,984.13	43,079.82		1,095.69
Fuel Stations	28,043.22	28,157.85		114.63
Shops	95,392.48	93,692.05	1,700.43	
Enginehouses	109,593.51	92,677.91	16,915.60	
Wharves and Docks	484,196.05	218,627.74	265,568.31	
Coal and Ore Wharves	299,264.01	129,071.96	170,192.05	
Telegraph and Telephone Lines	29,891.95	31,046.23		1,154.28
Signals and Interlockers	480,159.48	418,321.74	61,837.74	
Power Plants	18,932.75	13,668.28	5,264.47	
Power Transmission Systems	27,519.29	66,848.90		39,329.61
Miscellaneous Structures	198.44	147.19	51.25	
Road Property—Depreciation	909,861.39		909,861.39	
Deferred Maintenance	590,320.00		590,320.00	
Roadway Machines	20,042.09	21,975.43		1,933.34
Dismantling Retired Road Property	13,886.05		13,886.05	
Road Amortization of Defense Projects	48,743.69	6,699.92	42,043.77	
Small Tools and Supplies	34,984.94	40,690.41		5,705.47
Removing Snow, Ice and Sand	145,544.03	96,439.94	49,104.09	
Public Improvements—Maintenance	47,625.00	40,626.23	6,998.77	
Injuries to Persons	69,213.75	23,903.49	45,310.26	
Insurance	82,651.00	55,797.29	26,853.71	
Stationery and Printing	4,026.66	4,276.10		249.44
Other Expenses	2,336.97	1,441.53	895.44	
Other Expenses (Back Pay Accrual)	335,106.50		335,106.50	
Maint'g Joint Tracks, Yards and Other Facilities, Dr.	414,084.58	383,466.48	30,618.10	
Maint'g Joint Tracks, Yards and Other Facilities, Cr.	*209,636.79*	*171,778.00*	*37,858.79*	
Right of Way Expenses	288.15	38.40	249.75	
Total	$7,755,965.79	$5,780,543.62	$1,975,422.17	
MAINTENANCE OF EQUIPMENT				
Superintendence	$ 296,141.79	$ 262,996.86	$ 33,144.93	
Shop Machinery	136,451.44	107,938.59	28,512.85	
Power Plant Machinery	148,767.20	143,617.04	5,150.16	
Shop and Power Plant Machinery—Depr.	84,404.14		84,404.14	
Steam Locomotives—Repairs	3,443,296.25	3,287,653.43	155,642.82	
Other Locomotives—Repairs	86,833.45	50,964.72	35,868.73	
Freight-Train Cars—Repairs	1,721,959.62	1.944.216.61		$222,256.99
Passenger-Train Cars—Repairs	769.156.15	1,058,012.90		288,856.75
Floating Equipment—Repairs	719.923.33	878,966.51		159,043.18
Work Equipment—Repairs	98,492.08	151,603.88		53,111.80
Miscellaneous Equipment—Repairs	3,526.44	2,163.83	1,362.61	
Dismantling Retired Equipment	299.28	251.13	48.15	
Equipment—Depreciation	1,377,419.01	1,387,897.87		10,478.86
Amortization of Defense Projects	1,297,906.14	520,342.57	777,563.57	
Injuries to Persons	49,895.86	39,488.60	10,407.26	
Insurance	99,078.84	88,378.04	10,700.80	
Stationery and Printing	14,068.89	13,284.09	784.80	
Other Expenses	2,713.61	2,566.14	147.47	
Other Expenses (Back Pay Accrual)	476,760.00		476,760.00	
Maintaining Joint Equipment—Dr.	4,816.23	5,296.10		479.87
Maintaining Joint Equipment—Cr.	*77,060.03*	*80,161.90*	3,101.87	
Total	$10,754,849.72	$9,865,477.01	$889,372.71	

Italics denote credits.

OPERATING EXPENSES—Continued

YEAR ENDED DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

	1943	1942	Increase	Decrease
TRAFFIC EXPENSES				
Superintendence	$ 252,710.55	$ 249,084.08	$ 3,626.47	
Outside Agencies	204,134.63	216,172.89		$12,038.26
Advertising	61,770.04	37,122.49	24,647.55	
Traffic Associations	21,061.25	22,057.91		996.66
Insurance	333.79	367.17		33.38
Stationery and Printing	31,561.94	35,304.97		3,743.03
Other Expenses		36.41		36.41
Other Expenses (Back Pay Accrual)	31,784.00		31,784.00	
Total	$ 603,356.20	$ 560,145.92	$ 43,210.28	
TRANSPORTATION—RAIL LINE				
Superintendence	$ 453,193.72	$ 365,699.46	$ 87,494.26	
Dispatching Trains	113,475.02	94,015.51	19,459.51	
Station Employees	2,636,915.10	2,644.492.18		$ 7,577.08
Weighing, Inspection and Demurrage Bureaus	18,358.11	19,607.97		1,249.86
Coal and Ore Wharves	357,233.41	339,772.73	17,460.68	
Station Supplies and Expenses	465,709.78	532,956.06		67,246.28
Yardmasters and Yard Clerks	671,303.60	590,461.36	80,842.24	
Yard Conductors and Brakemen	2,019,708.68	1,878,015.66	141,693.02	
Yard Switch and Signal Tenders	83,466.84	79,361.74	4,105.10	
Yard Enginemen	972,671.02	956,302.20	16,368.82	
Yard Motormen	304,625.74	281,602.78	23,022.96	
Yard Switching Fuel	581,968.15	528,872.03	53,096.12	
Water for Yard Locomotives	36,343.43	36,265.75	77.68	
Lubricants for Yard Locomotives	18,979.19	14,264.79	4,714.40	
Other Supplies for Yard Locomotives	5,958.75	5,200.38	758.37	
Enginehouse Expenses—Yard	192,421.93	146,899.84	45,522.09	
Yard Supplies and Expenses	40,858.90	35,631.09	5,227.81	
Operating Joint Yards and Terminals—Dr.	63,995.90	67,097.07		3,101.17
Operating Joint Yards and Terminals—Cr.	*574,914.57*	*579,949.04*	5,034.47	
Train Enginemen	2,545,294.97	2,263,305.93	281,989.04	
Train Motormen	21,326.51	12,839.47	8,487.04	
Train Fuel	3,806,227.15	3,192,514.26	613,712.89	
Water for Train Locomotives	228,178.61	213,650.47	14,528.14	
Lubricants for Train Locomotives	74,757.33	65,459.37	9,297.96	
Other Supplies for Train Locomotives	36,790.66	27,930.05	8,860.61	
Enginehouse Expenses—Train	789,918.87	678,331.30	111,587.57	
Trainmen	2,711,074.80	2,338,214.30	372,860.50	
Train Supplies and Expenses	1.173,050.37	1,103,537.04	69,513.33	
Signal and Interlocker Operation	486,068.51	460,643.45	25,425.06	
Crossing Protection	303,837.43	299,031.02	4,806.41	
Drawbridge Operation	93,979.05	100,980.64		7,001.59
Telegraph and Telephone—Operation	76,638.09	74,812.68	1,825.41	
Operating Floating Equipment	2,042,283.28	2,265,638.02		223,354.74
Stationery and Printing	73,838.62	68,885.50	4,953.12	
Other Expenses	*182,771.46*	*254,443.18*	71,671.72	
Other Expenses (Back Pay Accrual)	1,597,199.66		1,597,199.66	
Operating Joint Tracks and Facilities—Dr.	453,659.36	407,954.13	45,705.23	
Operating Joint Tracks and Facilities—Cr.	*55,541.25*	*52,783.54*	*2,757.71*	
Insurance	112,759.87	104,024.22	8,735.65	
Clearing Wrecks	33,914.87	23,943.54	9,971.33	
Damage to Property	11,359.51	13,463.85		2,104.34
Damage to Live Stock on Right of Way		5.19		5.19
Loss and Damage—Freight	146,046.15	140,057.70	5,988.45	
Loss and Damage—Baggage	21.88	165.92		144.04
Injuries to Persons	364,320.49	155,897.43	208,423.06	
Total	$25,406,506.03	$21,740,628.32	$3,665,877.71	

Italics denote credits.

OPERATING EXPENSES—Continued

YEAR ENDED DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

	1943	1942	Increase	Decrease
MISCELLANEOUS OPERATIONS				
Dining and Buffet Service	$ 89,789.90	$ 83,528.99	$ 6,260.91	
Hotels and Restaurants	236,488.64	212,705.71	23,782.93	
Hotels and Restaurants (Back Pay Accrual)	8,768.00		8,768.00	
Total	$ 335,046.54	$ 296,234.70	$ 38,811.84	
GENERAL EXPENSES				
Salaries and Expenses of General Officers	$ 157,230.55	$ 125,500.09	$ 31,730.46	
Salaries and Expenses of Clerks and Attendants	621,123.22	542,762.90	78,360.32	
General Office Supplies and Expenses	52,793.14	52,086.76	706.38	
Law Expenses	252,681.79	186,661.34	66,020.45	
Insurance	1,049.56	734.07	315.49	
Pensions	39,314.61	50,865.72		$ 11,551.11
Stationery and Printing	24,986.39	19,944.88	5,041.51	
Valuation Expenses	3,114.77	2,444.29	670.48	
Other Expenses	47,224.50	72,228.05		25,003.55
Other Expenses (Back Pay Accrual)	84,661.50		84,661.50	
General Joint Facilities—Dr.	22,553.18	16,121.74	6,431.44	
General Joint Facilities—Cr.	*1,368.69*	*1,837.42*	468.73	
Total	$ 1,305,364.52	$ 1,067,512.42	$ 237,852.10	
Grand Total	$46,161,088.80	$39,310,541.99	$6,850,546.81	

Italics denote credits.

TRANSPORTATION STATISTICS

YEAR ENDED DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

	1943	1942	Increase	Decrease
Miles of road operated	654.59	657.84		3.25
Train Miles:				
Freight—ordinary	3,122,425	2,974,543	147,882	
Freight—light	41,279	73,881		32,602
Freight—total	3,163,704	3,048,424	115,280	
Passenger	3,608,656	3,534,320	74,336	
Total transportation service	6,772,360	6,582,744	189,616	
Work service	162,240	200,300		38,060
Locomotive Miles:				
Freight—principal	3,163,704	3,048,424	115,280	
Freight—helper	489,470	449,703	39,767	
Freight—light	742,569	710,278	32,291	
Freight—total	4,395,743	4,208,405	187,338	
Passenger—principal	3,608,656	3,534,320	74,336	
Passenger—helper	15,885	15,907		22
Passenger—light	212,899	211,350	1,549	
Passenger—total	3,837,440	3,761,577	75,863	
Train switching	1,427,152	1,341,507	85,645	
Yard switching—freight	3,120,468	3,127,926		7,458
Yard switching—passenger	331,944	297,030	34,914	
Yard switching—total	3,452,412	3,424,956	27,456	
Total transportation service	13,112,747	12,736,445	376,302	
Work service	234,589	277,382		42,793
Car Miles:				
Freight train—loaded	103,235,048	97,420,836	5,814,212	
Freight train—empty	61,829,339	67,435,602		5,606,263
Freight train—loaded and empty	165,064,387	164,856,438	207,949	
Freight train—caboose	3,063,068	3,071,875		8,807
Freight train—total	168,127,455	167,928,313	199,142	

TRANSPORTATION STATISTICS—Continued

YEAR ENDED DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

Car Miles—Continued:	1943	1942	Increase	Decrease
Passenger train—passenger coaches	14,663,208	13,656,382	1,006,826	
Passenger train—sleeping and parlor cars	842,105	959,406		117,301
Passenger train—club, lounge, dining and observation cars	471,486	559,100		87,614
Passenger train—business cars	26,810	46,623		19,813
Passenger train—mail, express and baggage cars, and combination cars other than passenger	3,019,936	2,955,442	64,494	
Passenger train—combination passenger cars (mail, express or baggage with passenger)	1,824,521	1,749,520	75,001	
Passenger train—total	20,848,066	19,926,473	921,593	
Total transportation service	188,982,417	187,854,786	1,127,631	
Work service	68,063	167,095		99,032
Freight Traffic:				
*Revenue per mile of road	$ 78,212.01	$ 72,051.95	$ 6,160.06	
Revenue per ton	1.00600	.99235	.01365	
Revenue per train mile	16.24	15.61	.63	
Revenue per ton per mile	.01373	.01343	.0030	
Number of tons per train mile—all freight	1,215.05	1,194.87	20.18	
Number of tons per train mile—revenue freight	1,182.99	1,162.42	20.57	
Number of tons per loaded car mile—revenue freight	36.25	36.37		.12
Number of cars per train mile—loaded	32.63	31.96	.67	
Number of cars per train mile—empty	19.54	22.12		2.58
Number of cars per train mile—all	52.17	54.08		1.91
Average miles each revenue ton was carried	73.27	73.91		.64
Tons carried—revenue freight, Anthracite	8,582,640	9,465,889		883,249
Tons carried—revenue freight, Bituminous	10,368,238	10,328,745	39,493	
Tons carried—revenue freight, Merchandise	32,131,004	28,150,800	3,980,204	
Total tons carried—revenue freight	51,081,882	47,945,434	3,136,448	
Tons carried one mile—revenue freight	3,742,645,965	3,543,550,740	199,095,225	
Passenger Traffic:				
†Revenue service train per mile of road	$ 24,542.61	$ 20,363.19	$ 4,179.42	
Revenue per passenger	.29302	.26906	.02396	
Revenue per train mile	2.58	2.19	.39	
Revenue per passenger per mile	.01592	.01485	.00107	
Number of passengers per train mile	139.65	126.92	12.73	
Number of passengers per car mile	30.70	28.96	1.74	
Number of cars per train mile	5.76	5.58	.18	
Average miles each passenger was carried	18.40	18.23	.17	
Passengers carried	27,388,084	24,606,551	2,781,533	
Passengers carried one mile	503,964,990	448,589,692	55,375,298	
Total operating revenue per average mile of road	$ 95,846.32	$ 86,995.71	$ 8,850.61	
Total operating revenue per train mile	9.30	8.73	.57	
Operating expenses per average mile of road	70,256.13	59,530.76	10,725.37	
Operating expenses per train mile	6.82	5.97	.85	

* Average miles of road operated in freight service used in computing this average.

† Average miles of road operated in passenger service used in computing this average.

RATIOS

YEAR ENDED DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

	1943	1942	Increase	Decrease
Ratio of each class of Operating Revenues to Total Operating Revenues:				
	%	%	%	%
Freight	81.60	82.82		01.22
Passenger	12.74	11.59	01.15	
Mail and Express	01.92	01.75	00.17	
Other Transportation	00.97	01.01		00.04
Other than Transportation	02.74	02.81		00.07
Joint Facility—Credit	00.03	00.02	00.01	
Joint Facility—Debit	00.00	00.00		
Total	100.00	100.00		
Ratio of each class of Operating Expenses to Total Operating Expenses:				
Maintenance of Way and Structures	16.80	14.70	02.10	
Maintenance of Equipment	23.30	25.10		01.80
Traffic	01.31	01.42		00.11
Transportation	55.04	55.31		00.27
Miscellaneous Operations	00.73	00.75		00.02
General	02.82	02.72	00.10	
Total	100.00	100.00		
Ratio of each class of Operating Expenses to Total Operating Revenues:				
Maintenance of Way and Structures	12.32	10.06	02.26	
Maintenance of Equipment	17.08	17.17		00.09
Traffic	00.96	00.98		00.02
Transportation	40.34	37.84	02.50	
Miscellaneous Operations	00.53	00.52	00.01	
General	02.07	01.86	00.21	
Total	73.30	68.43	04.87	

EQUIPMENT

DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

Description	*Owned Dec. 31, 1942	Added by Construction or Purchase	Condemned, Destroyed or Sold	Transferred		*Owned Dec. 31, 1943
				Additions	Deductions	
Locomotives:						
Passenger	121			1		122
Freight	126				1	125
Switch	122					122
Switch Oil Electric	21					21
Total Locomotives	390			1	1	390
Cars:						
Passenger Train:						
Coaches	471			6		477
Combination Passenger	75				4	71
Other Combination	13					13
Dining	3					3
Baggage and Express	59					59
Club	2				2	
Total	623			6	6	623
Freight—Train:						
Box Cars	2,880		9			2,871
Automobile Cars	200					200
Flat Cars	7					7
Coal Cars	5,725		6			5,719
Refrigerator Cars	31					31
Container Cars	3					3
Cement Cars	215					215
Other Freight Train Cars	2,570	770	3			3,337
Caboose Cars	154		4			150
Poling Cars	7					7
Total	11,792	770	22			12,540
Work Equipment:						
Cinder Cars	8					8
Business Cars	2					2
Locomotive Cranes	24					24
Pile Drivers	1					1
Work Cars	124		1			123
Total	159		1			158
Total Cars	12,574	770	23	6	6	13,321
In Marine Service:						
Steamboats	1		1			
Ferryboats	10					10
Tugboats	8					8
Steam Lighters	5		2			3
Other Lighters	38					38
Covered Barges	48	4				52
Car Floats	18					18
Water Pile Drivers	3					3
Launch	1					1
Total	132	4	3			133

* Includes Equipment on deferred plan of purchase.

LOCOMOTIVE AND FREIGHT CAR CAPACITY

DECEMBER 31, 1943, COMPARED WITH PREVIOUS YEAR

LOCOMOTIVES

Type	December 31, 1942				Added	Retired	December 31, 1943			
	Number	Average Weight (Tons)		Average Tractive Power			Number	Average Weight (Tons)		Average Tractive Power
		Total	On Drivers					Total	On Drivers	
4 Wheel Switch	1	56.2	56.2	22,272			1	56.2	56.2	22,272
6 Wheel Switch	66	76.8	76.8	34,520			66	76.8	76.8	34,520
8 Wheel Switch	55	122.0	122.0	57,111			55	122.0	122.0	57,111
Oil Electric Switch	21	100.0	100.0	50,015			21	100.0	100.0	50,015
10-Wheeler	81	104.9	80.0	34,594			81	105.0	80.1	34,634
12-Wheeler	24	112.0	85.9	39,564			24	112.0	85.9	39,564
Suburban	15	120.3	74.0	26,015			15	120.3	74.0	26,015
Consolidation	14	113.4	101.0	40,555			14	113.4	101.0	40,555
Atlantic	6	107.9	63.9	28,433			6	107.9	63.9	28,433
Pacific	21	158.8	98.6	45,979			21	158.8	98.6	45,979
Mikado	86	169.0	125.5	62,949			86	169.0	125.5	62,949
Total	390	47,028.8	38,246.7	17,751,406			390	47,032.8	38,248.9	17,754,666
Average		120.6	98.1	45,516				120.6	98.1	45,525

FREIGHT CARS

Type	Number Dec. 31, 1942	Added	Retired	Number Dec. 31, 1943	Capacity (Tons)	
					Dec. 31, 1942	Dec. 31, 1943
Box	2,880		9	2,871	127,430	127,040
Automobile	200			200	10,000	10,000
Flat	7			7	280	280
Coal	5,725		6	5,719	308,645	308,320
Refrigerator	31			31	1,210	1,210
Container Cars	3			3	150	150
Cement Cars	215			215	14,075	14,075
Other Freight Train Cars	2,570	770	3	3,337	138,120	191,870
Total	†11,631	770	18	12,383	599,910	652,945

† Does not include Caboose or Poling Cars.

MILEAGE OF TRACKS, DECEMBER 31, 1943.

Name of Road or Track (1)	Termini between which Road named extends (2)	Miles of Road (3)	Miles of Second Main Track (4)	Miles of Third Main Track (5)	Miles of Fourth Main Track (6)	Miles of all other Main Track (7)	Miles of Industrial Tracks (8)	Miles of Yard Track and Sidings (9)	Total (10)
	LINES OWNED								
CENTRAL DIVISION									
Main Line:	Jersey City, N. J., to Phillipsburg, N. J.	72.27	72.27	39.48	39.31	20.13	14.72	299.17	557.35
Branches									
Conn. with B. & N. Y. R. R.	Cranford Junction, N. J.	.07	.05						.12
Conn. with D. & B. B. R. R.	Bound Brook Junction, N. J.	.09	.09						.18
Conn. with M. & E. R. R.	Hampton, N. J.	.02							.02
Conn. with M. & E. R. R.	Phillipsburg, N. J.	.11							.11
Bayonne Port Terminal	E. 33rd St., Bayonne, N. J., to Terminus	.17							.17
Constable's Hook Branch, N. J.	E. 22nd St., Bayonne, N. J., to Constable's Hook, N. J.	1.92					1.14	3.92	6.98
Conn. with E. J. R. R. & T.	Constable's Hook Branch to E. J. R. R. & T.	.04							.04
Ave. A. Branch	Ave. A, Bayonne, N. J., to W. First St.	.62					.27	.26	1.15
W. 2nd St. Branch	Ave. A, Bayonne, N. J., to Ave. C.	.60					.36		.96
Middle Brook Branch	Middle Brook, N. J., to Chimney Rock, N. J.	1.99					1.31	.76	4.06
Johns-Manville Branch	Manville, N. J., to Terminus	.82							.82
Ingersoll Branch	Phillipsburg, N. J., to Terminus	.70							.70
Newark Branch:	Communipaw, N. J., to Newark, N. J.	6.19	6.19	.22	.14	.50	5.25	17.00	35.49
Lafayette Branch	Pacific Ave. to Terminus	.66					.15	1.22	2.03
West Side Branch	West Side Ave. to Danforth Ave.	.88					1.03	1.64	3.55
Bay Shore Branch No. 1	Newark Branch to Bay Shore Conn. R. R.	.24						.01	.25
Passaic River Branch	Newark Branch to Terminus	.69					.27	1.01	1.97
Manufacturers Branch	Brills Junction to Passaic River	1.14					.68	4.87	6.69
Manufacturers Ext. Branch	Albert Ave. to Terminus	1.13					.56	1.66	3.35
Feigenspan Branch	Manufacturers Branch to Terminus	.37					.09		.46
Newark & Elizabeth Branch:	Brills Junction to Elizabethport, N. J.	5.71	5.62			.37	.28	33.63	45.61
Brills Branch	Newark Transfer to Oak Island Junction, N. J.	1.52	1.46						2.98
Elizabeth Extension Branch	Great Island Junction to Terminus	1.61					.34	2.89	4.84
Conn. with Perth Amboy Branch	Elizabethport, N. J.	.20	.12						.32
Perth Amboy Branch:	Elizabethport, N. J., to Perth Amboy, N. J.	12.76	12.67	2.04	1.72	.7	2.08	14.34	46.31
Conn. with N. & E. Branch	Elizabethport, N. J.	.16							.16
Raritan N. Shore Branch	Perth Amboy, N. J., to Raritan Brick Works	1.74					.63	.93	3.30
Linden Branch	Tremley, N. J., to Route 25	1.55					.09	.52	2.16
Mather Branch	Linden Branch to Stiles St.	.62							.62
Elizabeth Loop Line:	Elizabeth, N. J., to Elizabethport Docks	2.79					1.89	11.64	16.32
Sound Shore Branch:	Bayway, N. J., to Chrome, N. J.	5.86	.94				1.06	3.31	11.17
Bayway Branch	Bayway, N. J., to Elizabeth River, N. J.	.78					1.15	.62	2.55
Tremley Branch	Tremley, N. J., to Tremley Point, N. J.	.95						8.46	9.41
Carteret Branch	Williams & Clark to West Carteret, N. J.	1.26					1.15	1.41	3.82
Reformatory Branch	Williams & Clark to Reformatory	4.69					2.54	3.12	10.35
South Branch:	Somerville, N. J., to Flemington, N. J.	15.70					.47	1.93	18.10

MILEAGE OF TRACKS, DECEMBER 31, 1943—Continued

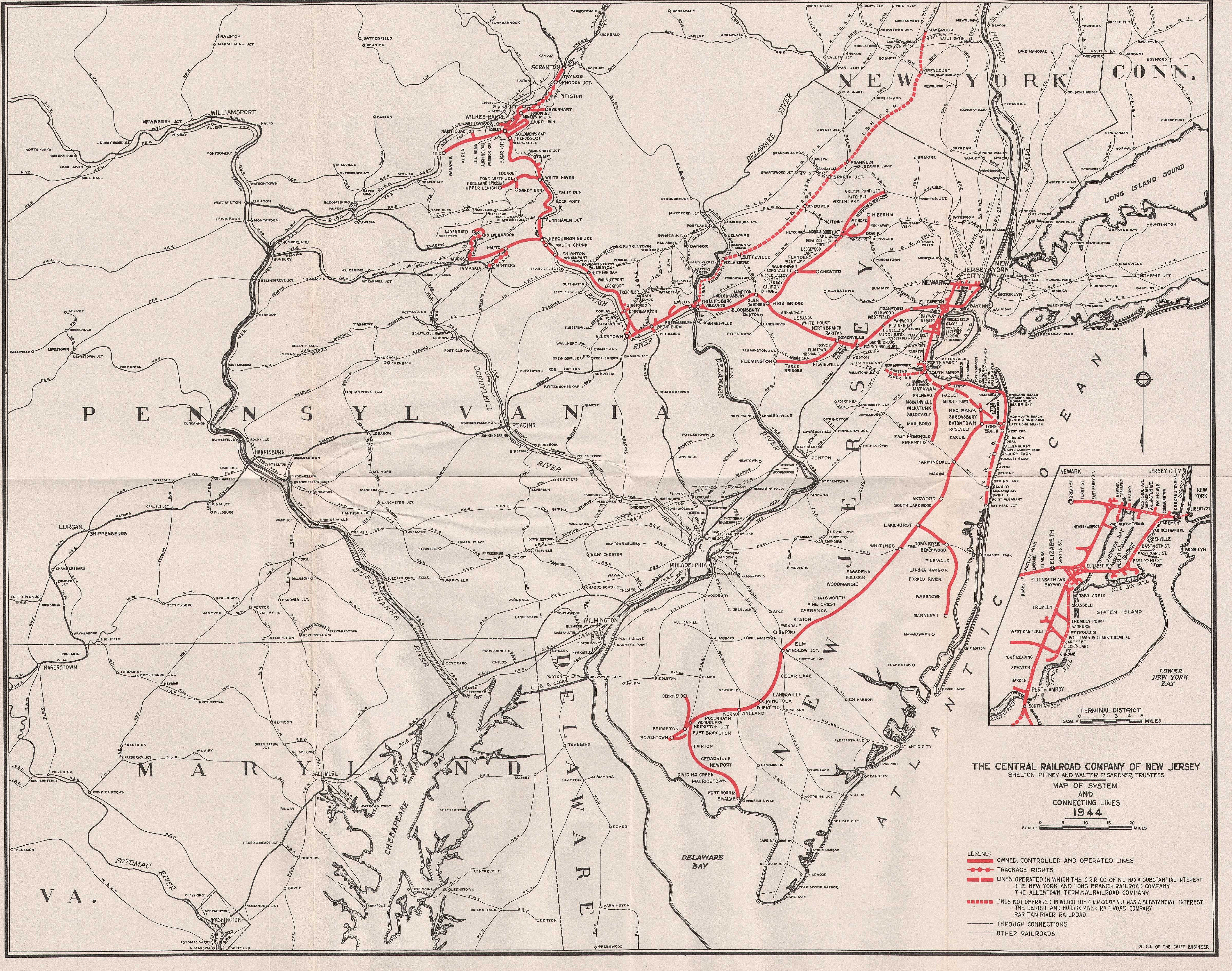
Name of Road or Track	Termini between which Road named extends	Miles of Road	Miles of Second Main Track	Miles of Third Main Track	Miles of Fourth Main Track	Miles of all other Main Track	Miles of Industrial Tracks	Miles of Yard Track and Sidings	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	LINES OWNED (Continued)								
CENTRAL DIVISION—Continued									
Branches									
High Bridge Branch:	High Bridge, N. J., to Wharton, N. J.	25.45					1.71	9.87	37.03
Chester Branch	Long Valley, N. J., to Chester, N. J.	4.48					.09	.17	4.74
Lake Hopatcong Branch	Hopatcong Junction to Morris Co. Jct., N. J.	1.02					.20	.98	2.20
Hibernia Mine Branch	Rockaway, N. J., to Terminus	1.20					.76	.69	2.65
Bronx Terminal:	New York, N. Y.							2.03	2.03
SOUTHERN DIVISION									
Main Line:	Red Bank, N. J., to Bowentown Jct., N. J.	97.42	.55			.07	3.65	28.31	130.00
Branches									
Belford Branch	Belford, N. J., to Red Bank, N. J.	.83					.31	.27	1.41
Deerfield Branch	Bridgeton, N. J., to Deerfield, N. J.	5.40				.28		1.28	6.96
Bridgeton Branch	Main Line to Bridgeton Station, N. J.	.26							.26
Vineland Branch	Bowentown, N. J., to Bridgeton, N. J.	3.65					.22	1.01	4.88
Freehold Branch:	Matawan Crossing, N. Y. & L. B. R. R. to Freehold, N. J.	12.21					.82	5.42	18.45
Conn. with N. Y. & L. B. R. R.	Matawan, N. J.	.31							.31
Sea Shore Branch:	Matawan Crossing, N. Y. & L. B. R. R. to Eatontown, N. J.	25.44	9.54			.39	1.64	9.43	46.44
"Y" Connection with Belford Branch	Belford, N. J.	.16						.53	.69
Navesink Branch	Sea Shore Br. to Atlantic Highlands Pier, N. J.	.45	.25						.70
"Y" Connection	Navesink Branch to Sea Shore Branch	.22	.22						.44
Highland Beach Branch	Highland Beach, N. J., to U. S. Proving Grounds	.34							.34
West End Branch	East Long Branch, N. J., to West End, N. J.	1.67	.11				.02	.70	2.50
Barnegat Branch:	Lakehurst, N. J., to Barnegat, N. J.	22.29					.60	1.88	24.77
Cumberland & Maurice River Br.:	Bridgeton Junction to Bivalve, N. J.	22.36					1.56	4.21	28.13
	Total Owned	373.78	110.08	41.74	41.17	22.44	49.09	481.10	1119.40

MILEAGE OF TRACKS, DECEMBER 31, 1943—Continued

Name of Road or Track	Termini between which Road named extends	Miles of Road	Miles of Second Main Track	Miles of Third Main Track	Miles of Fourth Main Track	Miles of all other Main Track	Miles of Industrial Tracks	Miles of Yard Track and Sidings	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
CONTROLLED AND OPERATED BY OWNERSHIP OF CAPITAL STOCK OR BY AGREEMENTS									
LINES LOCATED IN NEW JERSEY									
Bay Shore Conn. Railroad	Newark Branch to Lehigh Valley R. R.	1.10					.94	.65	2.69
Dover & Rockaway R. R.	Wharton, N. J., to Rockaway, N. J.	4.54					1.60	1.77	7.91
LINES LOCATED IN PENNSYLVANIA									
Easton & Western R. R.	E. & W. Junction, Pa., to Easton, Pa.	4.36					.21		4.57
Conn. with Lehigh Valley R. R.	Easton, Pa. (wholly owned by E. & W.)	.07							.07
Conn. with Lehigh Valley R. R.	Easton, Pa. (owned jointly and equally with L. V. R. R.)	.12						.07	.19
Lehigh & Susquehanna R. R.	Phillipsburg, N. J., to Union Junction, Pa.	105.14	91.78	3.73	1.07	2.69	15.23	154.35	373.99
Conn. with Lehigh & Hudson River Ry.	Easton, Pa.	.02							.02
Conn. with Easton & Western R. R.	Easton & Western Jct., Pa.	.04							.04
Minsi Trail Branch	Bethlehem, Pa., to Terminus	.99					.05	.18	1.22
North Penn. Conn.	Bethlehem Jct., Pa., to So. Bethlehem, Pa.	.33							.33
Conn. with Lehigh & New England R.R.	Bethlehem Jct., Pa.	.21							.21
Conn. with Allentown Terminal R.R.	East of Allentown, Pa.	.03	.05						.08
Conn. with Allentown Terminal R.R.	West of Allentown, Pa.	.06							.06
Carbon Branch	L. & S. R. R. to Terminus	.15							.15
Coplay Branch	Northampton, Pa., to Hokendauqua, Pa.	.54					.35	.34	1.23
Standard Cement Branch	Northampton, Pa., to Standard Cement Works	.56					5.45		6.01
Allen Cement Branch	L. & S. R. R. to Allen Cement Works	.77					.24		1.01
Conn. with Nesquehoning Valley R.R.	Nesquehoning Jct., Pa.	.16	.17			.04			.37
Conn. with Franklin Branch	Franklin Jct., Pa.	.02							.02
Upper Lehigh Branch	Upper Lehigh Jct., Pa., to Upper Lehigh, Pa.	9.04					.13	1.67	10.84
Sandy Run Branch	Pond Creek Junction, Pa., to Sandy Run, Pa.	2.15					.92	.69	3.76
Quarry Branch	L. & S. R. R. to Terminus	.56						.04	.60
Ashley Planes Branch	Solomons Gap, Pa., to Ashley, Pa.	2.70	2.50					.40	5.60
Buttonwood Branch	Franklin Junction, Pa., to Buttonwood, Pa.	2.11					2.02	.69	4.82
Franklin Branch	Franklin Junction, Pa., to Nanticoke Branch	1.05						.30	1.35
Nanticoke Branch	Gardners Switch, Pa., to Lee, Pa.	17.05					7.69	18.64	43.38
Nanticoke Extension Branch	Lee, Pa., to Terminus	1.01							1.01
"Y" Connection	Nanticoke Branch to Ashley Planes	.36							.36
Leemine Branch	Leemine, Pa., to Nanticoke, Pa.	2.11					.06		2.17
Wanamie Spur Branch	Wanamie, Pa.	.68							.68
Canal Branch	Miners Mills, Pa., to Plains Jct., Pa.	5.06					.05	.32	5.43
Everhart Branch	Union Jct., Pa., to Everhart, Pa.	3.07					.11	.06	3.24
Nesquehoning Valley R. R.	Nesquehoning Jct., Pa., to Tamanend, Pa.	16.60	7.82			.30	.17	13.37	38.26
Conn. with L. & N. E. R. R.	Hauto, Pa.	.03							.03
Conn. with Reading Co.	Haucks, Pa.	.07							.07
Tresckow R. R.	Silver Brook, Pa., to Beaver Brook, Pa.	8.57					1.54	2.13	12.24
"Y" Connection with Reading Co.	Silver Brook, Pa.	.12							.12
Wilkes-Barre & Scranton Ry.	Minooka Jct., Pa., to Scranton, Pa.	4.25	.76			.04	.45	7.33	12.83
Total controlled and operated by ownership of capital stock or by agreements		195.80	103.08	3.73	1.07	3.07	37.21	203.00	546.96

MILEAGE OF TRACKS, DECEMBER 31, 1943—Continued

Name of Road or Track	Termini between which Road named extends	Miles of Road	Miles of Second Main Track	Miles of Third Main Track	Miles of Fourth Main Track	Miles of all other Main Track	Miles of Industrial Tracks	Miles of Yard Track and Sidings	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TRACKAGE RIGHTS									
NEW YORK & LONG BRANCH R. R.	Perth Amboy, N. J., to Bay Head Jct., N. J.	37.80	37.73			.74	6.32	32.35	114.94
Conn. with Raritan River R. R.	South Amboy, N. J.	.10							.10
Conn. with Freehold Branch	Matawan Station, N. J.	.10							.10
"Y" Connections	Matawan Crossing	.08							.08
Conn. with Southern Division M. L.	Red Bank, N. J.	.03	.01						.04
Conn. with West End Branch	West End, N. J.	.05	.05						.10
Point Pleasant Loop Track	Conn. in S. B. Main Track to Conn. in N. B. Main Track	1.29							1.29
Delaware & Hudson R. R.	South Wilkes-Barre, Pa., to Plymouth Jct., Pa.	2.55					.29	2.51	5.35
Delaware & Hudson R. R.	Hudson, Pa., to Union Jct., Pa.		1.50						1.50
Delaware & Hudson R. R.	Union Jct., Pa., to Minooka Jct., Pa.	9.66	9.66						19.32
Delaware, Lackawanna & Western R. R.	Plymouth Jct., Pa., to Nottingham Colliery, Pa.	1.30	1.30				.07	.17	2.84
Erie & Wyoming Valley R. R.	Plains Jct., Pa., to Exchange Siding, Pa.	.28							.28
Lehigh & New England R. R.	Hauto, Pa., to Greenwood Jct., Pa.	6.00							6.00
Lehigh & New England R. R.	Catasauqua, Pa., Trackage to Davies & Thomas Plant						.19		.19
Lehigh & New England R. R.	Hauto, Pa., Nesq. Coll. to Storage Yard							4.21	4.21
Lehigh & New England R. R.	Catasauqua, Pa., to Conn., with Catasauqua and Fogelsville R. R.	.08						.08	.16
Lehigh Valley R. R.	Claremont, N. J., to National Junction, N. J.	1.85	1.49						3.34
National Docks R. R.	Constable's Hook Br., N. J., to Standard Oil Co.	.40	.11				.27		.78
Reading Co.	Greenwood Junction Pa., to Tamaqua, Pa.	1.16							1.16
Reading Co.	Tamaqua, Pa., to Kaska William, Pa.	9.66							9.66
Reading Co.	Tamanend, Pa., to Silver Brook, Pa.	5.38							5.38
Reading Co.	Catasauqua and Fogelsville R. R. to Conn. with Ironton R. R.	.55						.65	1.20
N. Y. C. R. R.	National Jct., N. J., to Willow Ave., Hoboken, N. J.	3.00							3.00
ALLENTOWN TERMINAL R. R.	L. & S. R. R. east of Allentown, Pa., to L. & S. R. R. west of Allentown, Pa.	2.75	2.56			.39	1.48	5.22	12.40
"Y" Branches	Connecting with East Penna. R. R., Allentown, Pa.	.59	.59						1.18
Barb Wire Branch	A. T. R. R. to Iowa Barb Wire Works	.35					.09	.19	.63
	Total Trackage Rights	85.01	55.00			1.13	8.71	45.38	195.23
	Grand Total	654.59	268.16	45.47	42.24	26.64	95.01	729.48	1861.59


PENNSYLVANIA
NEW YORK
CONN.
NEW JERSEY
MARYLAND
DELAWARE
VA.
ATLANTIC OCEAN
LONG ISLAND SOUND
DELAWARE BAY
CHESAPEAKE BAY
DELAWARE RIVER
SUSQUEHANNA RIVER
SCHUYLKILL RIVER
LEHIGH RIVER
HUDSON RIVER
POTOMAC RIVER
LOWER NEW YORK BAY
SCRANTON
WILKES-BARRE
WILLIAMSPORT
HARRISBURG
READING
ALLENTOWN
BETHLEHEM
EASTON
PHILLIPSBURG
PHILADELPHIA
TRENTON
WILMINGTON
BALTIMORE
WASHINGTON
HAGERSTOWN
NEWARK
JERSEY CITY
ELIZABETH
NEW YORK
BROOKLYN
PERTH AMBOY
SOUTH AMBOY
LONG BRANCH
LAKEHURST
ATLANTIC CITY
CAPE MAY
BRIDGETON
PORT NORRIS
TERMINAL DISTRICT
SCALE 0 1 2 3 4 5 MILES

THE CENTRAL RAILROAD COMPANY OF NEW JERSEY

SHELTON PITNEY AND WALTER P. GARDNER, TRUSTEES

MAP OF SYSTEM
AND
CONNECTING LINES
1944

SCALE: 0 5 10 15 20 MILES

LEGEND:
- 🟥 OWNED, CONTROLLED AND OPERATED LINES
- ●●● TRACKAGE RIGHTS
- ▬ ▬ LINES OPERATED IN WHICH THE C.R.R. CO. OF N.J. HAS A SUBSTANTIAL INTEREST
  - THE NEW YORK AND LONG BRANCH RAILROAD COMPANY
  - THE ALLENTOWN TERMINAL RAILROAD COMPANY
- ▪▪▪▪▪ LINES NOT OPERATED IN WHICH THE C.R.R. CO. OF N.J. HAS A SUBSTANTIAL INTEREST
  - THE LEHIGH AND HUDSON RIVER RAILROAD COMPANY
  - RARITAN RIVER RAILROAD
- ━ THROUGH CONNECTIONS
- ─ OTHER RAILROADS

OFFICE OF THE CHIEF ENGINEER